



---

# ***Daily Report***

## **China**

FBIS-CHI-90-171  
Tuesday  
4 September 1990

# Daily Report

## China

FBIS-CHI-90-171

### CONTENTS

4 September 1990

NOTICE TO READERS: An \* indicates material not previously disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

Envoy Says Iraqis, Kuwaitis 'Entitled' to Food [XINHUA] .....	1
Gulf Crisis Effect on West Viewed [XINHUA] .....	1
U.S. Role in Gulf Crisis Highlighted [RENMIN RIBAO OVERSEAS EDITION 3 Sep] .....	2

##### Soviet Union

Reportage on Visit by Soviet Foreign Minister .....	3
Shevardnadze on Talks [XINHUA] .....	3
Qian Meets Shevardnadze [XINHUA] .....	3
Visits Soviet Monuments [Harbin Radio] .....	3
Cambodia, Korea Viewed [Tokyo KYODO] .....	4
Gulf Crisis Discussed [XINHUA] .....	4
Border Talks Accelerated [RENMIN RIBAO 2 Sep] .....	5
Ministers Meet Reporters [Beijing Radio] .....	5
Meets With Heilongjiang Governor [Harbin Radio] .....	6
News Release Issued [XINHUA] .....	6
More on News Release [XINHUA] .....	7
Shevardnadze Departs [XINHUA] .....	7
'Roundup' on Qian-Shevardnadze Meeting [RENMIN RIBAO OVERSEAS EDITION 3 Sep] .....	7
CHINA DAILY Reports on Minister's Meeting [3 Sep] .....	9
Steadily Developing Sino-Soviet Relations Viewed [XINHUA] .....	10

##### Northeast Asia

Further on Visit by Japan's Shin Kanemaru .....	11
Meets With Li Peng [RENMIN RIBAO 1 Sep] .....	11
Mediation Sought [Tokyo KYODO] .....	11
Meets With Wu Xueqian [XINHUA] .....	12
Meets With Jiang Zemin [RENMIN RIBAO 3 Sep] .....	12
Ties With Taiwan Viewed [XINHUA] .....	12
Unification Discussed [Tokyo KYODO] .....	13
Yang Shangkun Meets Kanemaru [XINHUA] .....	13
High-Level Contacts Urged [Tokyo KYODO] .....	14
Gulf Crisis Viewed [Tokyo KYODO] .....	14

##### Near East & South Asia

Iraqi Invasion of Kuwait Analyzed [LIAOWANG 20 Aug] .....	15
Iraq, Kuwait Conflict, World Oil Market Viewed [Hong Kong LIAOWANG OVERSEAS EDITION 17 Aug] .....	16
Article Claims Gulf Crisis at Stalemate [Hong Kong TA KUNG PAO 2 Sep] .....	17

##### West Europe

Foreign Minister Qian Departs for Turkey [XINHUA] .....	19
Qian, Turkish Counterpart Discuss Gulf Crisis [XINHUA] .....	19
Article Discusses Future of German Army [RENMIN RIBAO 22 Aug] .....	20

**East Europe**

Yugoslav Political Situation Viewed [SHIJIE ZHISHI 1 Aug]	20
---	----

**NATIONAL AFFAIRS**

**Political & Social**

NPC Standing Committee Meeting Continues	23
Members on Overseas Chinese Draft Law [XINHUA]	23
More on Overseas Chinese Law [XINHUA]	23
Zou Jiahua on Economic Conditions [XINHUA]	23
International Labor Treaties [XINHUA]	24
Report on Draft Railway Law [XINHUA]	25
Song Jian on Scientific Reforms [XINHUA]	28
Song Jian on High-Tech Growth [XINHUA]	28
Song Urges Scientific Inputs [XINHUA]	28
Song on Foreign Science Exchange [XINHUA]	29
'Sources' Claim Zhao To Be Partly Cleared [Hong Kong SOUTH CHINA MORNING POST 4 Sep]	29
Article Describes Cadre Rotation System [GUANGMING RIBAO 10 Aug]	30
Yao Yilin on Administrative Procedures Law [XINHUA]	32
Document Shows Support for Jiang Zemin [Hong Kong CHENG MING 1 Sep]	34
Qiao Shi Speaks at Party School Fall Opening [XINHUA]	35
Literature, Art Criticism, Marxism Viewed [JIEFANGJUN BAO 8 Aug]	36
Jiang Zemin, Yang Baibing Inspect Xinjiang	38
Jiang's Remarks, Activities [XINHUA]	38
Jiang, Yang at Railroad Opening [Beijing Radio]	40
Yang Shangkun Appoints, Removes Ambassadors [XINHUA]	41

**REGIONAL AFFAIRS**

**East Region**

Shen Daren Addresses Rural Work Conference [Nanjing Radio]	42
Jiangxi Holds Meeting of College Presidents [Nanchang Radio]	42
Shandong Governor Speaks on Opening Up [Shandong Radio]	43
Zhu Rongji Urges Leaders To Help Typhoon Victims [Shanghai Radio]	43
Shanghai Reshuffles Armed Forces Commission [Shanghai Radio]	44

**Central-South Region**

Gun Trafficker Arrested in Guangzhou [Guangzhou Radio]	44
Hainan Improves Investment Environment [XINHUA]	44
Hainan Cadres Leave for Central Party School [Haikou Radio]	45
Hubei Leaders Console Police Officers [Wuhan Radio]	46

**Southwest Region**

Guizhou's Liu Zhengwei Views Afforestation Work [Guiyang Radio]	46
PRC Court Reportedly Orders Official's Execution [Moscow International]	47
Lhasa Festival Said Disrupted by Protests [HONGKONG STANDARD 1 Sep]	47
Hu Jintao Attends Clean Government Meeting [Lhasa TV]	48
Addresses Public Security Meeting [Lhasa TV]	48
Yunnan's Pu Chaozhu at Torch Relay Ceremony [Kunming Radio]	49

**North Region**

Bu He Article on Army-People Ties [NEIMENGGU RIBAO 29 Jul]	49
--	----

### Northeast Region

Jilin People's Congress Meeting Ends [Changchun Radio] .....	52
Sun Weiben Meets Shandong Fact-Finding Team [HEILONGJIANG RIBAO 3 Aug] .....	52
Good Wheat Harvest in Heilongjiang 'Wasteland' [XINHUA] .....	53
People's Congress Work Meeting in Dalian [Shenyang Radio] .....	53
Quan Shuren Attends Soiree on Asian Games [Shenyang Radio] .....	53
Liaoning Conference on Party Building of Colleges [Shenyang Radio] .....	54

### TAIWAN

Spokesman Denies Reports of Arms Sales to Iraq [CNA] .....	55
Government Denies Selling Goods to Iraq [CNA] .....	55
President Li Calls for New Mainland Policy [CNA] .....	55
Mainland Repatriations Await Red Cross Response [Taipei International] .....	56
President Calls for Vigilance Against 'Enemy' [CNA] .....	56
Market To Open to U.S. Turkey Meat, Whole Ducks [CNA] .....	56
President Li Discusses Economic Success [CNA] .....	56
Premier Outlines Cabinet's Construction Program [CNA] .....	56
Executive Yuan Submits Report to Legislative Yuan [CNA] .....	57
Message to Mainland Via Japan's Kanemaru Denied [CNA] .....	57
Economics Minister Siew Returns From Seoul Visit [CNA] .....	57
SRV Plans Business Zone for Taiwan Investors [CNA] .....	57

### HONG KONG & MACAO

Local Firms May Transship PRC Arms to Iraq [SOUTH CHINA SUNDAY MORNING POST 2 Sep] ..	59
PRC To State Position on New Airport Soon [HONGKONG STANDARD 1 Sep] .....	59
Governor Comments on Decisions About Airport [SOUTH CHINA SUNDAY MORNING POST 2 Sep] .....	60



## General

### Envoy Says Iraqis, Kuwaitis 'Entitled' to Food

OW0109003290 Beijing XINHUA in English  
2339 GMT 31 Aug 90

[Text] United Nations, August 31 (XINHUA)—The economic sanctions committee established under the U.N. Security Council Resolution 661 debated during a closed-door meeting today on the issue of delivering medicine and foodstuffs to Iraq and Kuwait.

Some U.N. officials here disclosed that most of the committee members maintained that Resolution 661, adopted by the council on August 6 to order a trade and financial boycott of Iraq and the occupied Kuwait, was not aimed at punishing the residents of Iraq and Kuwait and, therefore, foodstuffs and medicine should be allowed to be delivered to the two countries.

It is said that residents of Iraq and Kuwait are threatened by a shortage of food and medicine. But some West countries say Iraq has stored enough food which could last for about one year and there is no starvation or even food shortage in that country at present.

The Soviet Union emphasized at the meeting that Resolution 661 must be strictly implemented and it is incorrect to use food and medicine as means to force Iraq to comply with Resolution 660, which is crucial to solving the Gulf crisis.

Chinese Ambassador Yu Mengjia stated at the meeting that Resolution 661 has made it clear that supplies intended strictly for medical purposes and foodstuffs in humanitarian circumstances are not included.

He pointed out that, according to the provisions of Resolution 661, residents of Iraq and Kuwait are entitled to food and medical supplies needed for livelihood.

"It would be incompatible with the principle of humanitarianism if Iraqi and Kuwaiti residents were to be starved."

He believed that the sanctions committee might ask some specialized organizations, such as the International Committee of the Red Cross, to play an active role by investigations in the areas and making recommendations to the sanctions committee.

### Gulf Crisis Effect on West Viewed

HK0109054590 Beijing XINHUA Domestic Service  
in Chinese 0626 GMT 30 Aug 90

[Roundup by Li Changjiu (2621 7022 0036): "Gulf Crisis Is Pounding at Western Economy"—XINHUA headline]

[Text] Early on the morning of 2 August, when silence reigned supreme in the bright moonlight, 100,000 Iraqi troops crossed the border in a lightning war against Kuwait and occupied the oil-rich country, suddenly

changing the situation in the Gulf area, which had calmed down earlier. A bigger-scale armed conflict may break out at any moment.

The Gulf area is rich in oil. The proven oil deposits there account for 65.4 percent of the world's total of 1,012 billion barrels. In 1989, the average daily oil production there made up 26.1 percent of the world's total daily output of 63.60 million barrels. According to figures provided by the U.S. weekly TIME, published on 20 August: Japan imports from the Gulf area 64 percent of the oil it needs domestically, France 35 percent, Italy 32 percent, Britain 14 percent, the United States 11 percent, and West Germany nine percent. Economic development in Western countries is closely bound up with the oil supplied by the Gulf area and with fluctuations in oil prices.

Since Iraq's invasion of Kuwait, oil prices have soared in the international market. During the 1-7 August period, the price for the middle-grade oil produced in west Texas jumped from \$21.54 to \$28.31 per barrel on the New York Commodity Exchange. On the European spot markets, the price for North Sea (Brent) crude oil shot up from \$20.50 to \$28.65 per barrel, and the price for Dubai crude oil from \$18.10 to \$25.7 per barrel. Oil prices increased by \$6 to \$8 per barrel within a week. This has not occurred for many years. By 22 August, the prices for the above three types of oil had risen to \$31.93, \$31.55, and \$29.65 per barrel respectively.

The sharp rises in world oil prices this time are mainly caused by psychological and speculative factors. Consumers have resorted to panic purchase as they are worried over the drastically increasing oil prices, thus giving oil companies a good opportunity to increase prices and reap colossal profits. Nevertheless, oil prices basically hinge on the supply-demand relations. According to the resolution passed on 6 August by the UN Security Council on imposing mandatory economic sanctions on Iraq, oil supplies from Iraq and Kuwait have already been stopped. Will there be shortages in oil supplies for a certain period of time in the future? Will oil prices continue to increase considerably? Will economic recession in the West set in "in advance"? These questions have called for the close attention of Western countries and caused them anxiety.

We should say that if oil supplies from Iraq and Kuwait alone are stopped there will not be insufficient supplies on the international market.

First, the daily oil production of Iraq and Kuwait totals 4.64 million barrels, of which 4 million are for export, while at present other OPEC members' potential daily production capacity is 5 million barrels, and Saudi Arabia has decided to increase its daily production by 2 million barrels, Iran by 600,000 barrels, and Venezuela by 500,000 barrels. On 27 August, the overwhelming majority of OPEC members reached a consensus on increasing the oil production limit of all member states.

Second, Western countries have abundant oil reserves. The 24 countries under the OECD, which include major Western countries, now have a total of 468 million metric tons of oil reserves (one metric ton equals 7.3 barrels), which is enough for 99 days consumption. U.S. oil reserves can satisfy domestic consumption for 95 days, and Japan's for 142 days.

The two "oil impacts" in 1973 and 1979 greatly aggravated the economic recessions of Western countries during the 1973-1974 and 1979-1982 periods. Increases in oil prices this time will have an adverse influence upon the economy of the West, the growth rate of which has already slowed down.

The economy of the West has been growing continuously for nearly eight years, however, the growth rate has obviously slowed down. In 1990, although Japan's five percent economic growth rate paralleled that in the previous year, the economic growth rates of the United States and Western Europe were lower than those in the previous year.

In the first two quarters of this year, the gross national product of the United States, calculated in terms of annual rates, only grew by 1.7 percent and 1.2 percent respectively. Some economists predict that the U.S. economic growth rate this year will only reach approximately one percent, much lower than last year's 2.5 percent. In the first 10 months of the 1990 fiscal year, the U.S. federal financial deficit had already reached \$180.988 billion, much higher than the \$151.888 billion in the 1989 fiscal year. In the first seven months of this year, the U.S. consumer price index, calculated in terms of annual rates, rose by 5.8 percent, higher than the 4.6 percent for the whole of 1989. When economic growth rates have greatly slowed down and inflationary rates have risen, oil price increases have undoubtedly worsened the situation. According to OECD estimates, with each rise of \$3 per barrel, the growth rates of the actual gross domestic products of the United States, Japan, and Western Europe fall by 0.1 percent, 0.3 percent, and 0.2 percent respectively. If the oil price rises by \$6 a barrel, the rate of inflation in the West will rise by one percent. It is generally estimated that even if the Gulf situation is not further intensified and oil prices begin to fall, world oil prices will remain high for some time in the future, and the U.S. economy will probably be the first to relapse into recession.

According to estimates of the German Chamber of Commerce, Western Europe's economic growth rate this year will be 2.8 percent, lower than last year's 3.4 percent.

It can be estimated that economic growth rate of the West for the next year will further slow down. If the situation in the Gulf is further intensified and oil prices continue to rise, a third "oil impact" will be unavoidable, and the new economic recession of the West will probably set in "in advance."

### U.S. Role in Gulf Crisis Highlighted

HK0309041990 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 3 Sep 90 p 6

[Article by staff reporter Lin Jiaoming (2651 4109 2494): "Sharp Confrontation in the Gulf"]

[Text] Cairo, 29 Aug (RENMIN RIBAO)—The Gulf situation is deteriorating rapidly and there exists the latent possibility of a large-scale regional war. Various concerned parties are trying to seek a way to prevent war.

After the Iraqi invasion of Kuwait on 2 August, the United States immediately dispatched tens of thousands of naval, air, and ground forces, including the 82d Airborne Division, to the Gulf. The military involvement of the superpowers further complicated the crisis. Since then, the confrontation has continuously escalated. More than 10 Western countries, including Britain and France, have sent their warships and other Armed Forces to the Gulf area. At present, there are more than 60 cruising warships—the largest assembly of forces since World War II.

With this assemblage of forces, the situation in the Gulf area appeared explosive, as though war was on the verge of breaking out.

Since 6 August, U.S. troops have unilaterally enforced a blockade in that area. In one incident, U.S. troops fired a shell to warn an Iraqi oil tanker. The United States has, on the one hand, declared that its military presence in the Gulf aims to protect Saudi Arabia and its own interests in the Middle East; but on the other hand, it has also repeatedly declared it will not "exclude the choice of military means against Iraq." Recently, the nine West European allied countries also decided to use force when necessary to block the Gulf. Meanwhile, a tide of protests against the United States and its military involvement has appeared in some Arab countries.

With the situation's escalation, Iraq announced on 18 August it would "place restrictions" on the "freedom of travel" of several thousand Western residents in Kuwait. It also moved some people from the United States, Britain, and other countries to military bases and other military installations which could possibly be attacked. Then, Iraq ordered various countries to close their embassies in Kuwait by 25 August; but many countries have ignored the order.

The Iraqi Government has proposed on several occasions to negotiate with Western countries. On 12 August, Saddam Husayn put forth a three-point proposal, which connected the solution to the Gulf crisis with the Israeli withdrawal from its occupied Arab territories, the withdrawal of Syrian troops from Lebanon, and the U.S. military withdrawal from Saudi Arabia. The Western countries and some Arab countries flatly rejected this proposal.

The international community is paying close attention to and worrying about the increasingly tense Gulf situation.

The UN Security Council adopted five resolutions in succession, denouncing the Iraqi invasion of Kuwait, imposing mandatory economic sanctions on Iraq, refusing to recognize the Iraqi annexation of Kuwait, urging Iraq to release the detained foreign residents, and appealing to the countries which have deployed Naval Forces in the Gulf area to adopt suitable measures in light of the concrete situation there. UN Secretary General Javier Perez de Cuellar has also directly engaged in the mediation of the crisis. He has held talks with Iraqi Foreign Minister Tariq 'Aziz. At the same time, the Nonaligned Movement, the Islamic Conference, the Arab League, the Gulf Cooperation Council, and other international organizations have also denounced the Iraqi invasion of Kuwait and expressed concern about the tense Gulf situation.

The Arab countries are extremely anxious. On 10 August, the heads of state of the Arab countries held an emergency meeting, which adopted a resolution, by a slender majority of 12 votes, dispatching Arab troops to Saudi Arabia to protect it from foreign invasion. Now, Egyptian, Syrian, and Moroccan troops have already been dispatched to Saudi Arabia.

In view of the rapid deterioration of the Gulf situation, the Arab countries have held repeated consultations and discussions in order to seek "a method of peacefully solving the situation within the Arab circle." Syrian President al-Asad paid a visit to Egypt on 28 August and held two rounds of talks with Egyptian President Mubarak. After visiting Yemen and Sudan, King Husayn of Jordan is now on a visit to the five Maghreb allied countries. Sudanese leader al-Bashir and PLO chairman 'Arafat have also successively visited Baghdad recently and held talks with Iraqi President Saddam.

It was reported that during his visit to France, 'Arafat put forth a peace program. On 30 August, the foreign ministers of the Arab League held an emergency meeting in Cairo. The main subject for discussion was also the question of how to prevent war.

The Gulf crisis is now at a crossroads. The Arab countries and the international community are making great efforts to strive for a peaceful solution. The military involvement of the superpowers has further deteriorated the situation. A pressing current matter is to effectively carry out the five resolutions of the UN Security Council and solve the Gulf crisis by peaceful, political means.

### Soviet Union

#### Reportage on Visit by Soviet Foreign Minister

##### Shevardnadze on Talks

OW0109013890 Beijing XINHUA in English  
0100 GMT 1 Sep 90

[Text] Moscow, August 31 (XINHUA)—Soviet Foreign Minister Eduard Shevardnadze left here today for Harbin, northeast China, to start his eight-day Asian tour.

After his working visit in China, Shevardnadze will conduct a "working visit" to DPR Korea and an "official visit" to Japan.

Before his departure from Moscow, the foreign minister told reporters that he will discuss bilateral relations with the Chinese side in Harbin.

"We plan to hold conceptual talks on the important problem of overcoming military confrontation on the border," Shevardnadze said, adding, "respective talks will be held in Moscow on September 10."

He said he also intends to hold a dialogue with the Chinese side on a Cambodian settlement and the Gulf crisis.

The Soviet Union and China as permanent members of the U.N. Security Council assume a degree of responsibility in these matters, Shevardnadze noted.

On his visit to Japan, the Soviet foreign minister pointed out: "the time is coming for a serious dialogue."

His talks with the Japanese side will focus on the Asian-Pacific issues and the problems which have remained for decades, Shevardnadze said.

#### Qian Meets Shevardnadze

OW3108150290 Beijing XINHUA in English  
1453 GMT 31 Aug 90

[Text] Harbin, August 31 (XINHUA)—Soviet Foreign Minister Eduard Shevardnadze and his party arrived here this evening by special plane.

Chinese Foreign Minister Qian Qichen went to the airport to meet the Soviet guests.

The two ministers will hold working talks here tomorrow.

The Soviet foreign minister is accompanied by his deputy E.A. Rogachev.

Among those greeting Shevardnadze and his party at the airport were Zhou Wenhua, deputy secretary of the Heilongjiang Provincial Committee of the Chinese Communist Party; Dai Moan, deputy governor of Heilongjiang Province, Soviet Ambassador to China O.A. Troyanovskiy; and Chinese Ambassador to the Soviet Union Yu Hongliang.

#### Visits Soviet Monuments

SK0209032590 Harbin Heilongjiang Provincial  
Service in Mandarin 0900 GMT 1 Sep 90

[Text] At 0900 on 1 September, accompanied by Zhang Delin, mayor of Harbin City, Soviet Foreign Minister Shevardnadze laid wreaths at the monuments to Soviet heroes and to the Soviet Red Army martyrs who fought and sacrificed their lives for the freedom and independence of China and the liberation of northeast China.



Written on the red streamers tied to the wreaths of cypress and fresh flowers were "Eternal Glory to Soviet Martyrs."

Leaving the monument to Soviet heroes and going across the street, Minister Shevardnadze approached the people in front of the provincial museum to cordially talk with them. Holding the hands of a Harbin resident, he said with deep feeling: The friendship between China and the Soviet Union is built on the basis of [words indistinct]. You have protected the monument to the Soviet heroes so well. On behalf of the Soviet people, I express thanks to you and wish you a happy life and success in reform and construction.

### Cambodia, Koreans Viewed

OW0109153490 Tokyo KYODO in English  
1455 GMT 1 Sep 90

[Text] Harbin, China, Sept. 1 KYODO—The foreign ministers of China and the Soviet Union, Qian Qichen and Eduard Shevardnadze, said Saturday they have agreed to promote efforts for a peaceful settlement to the Persian Gulf crisis, but stopped short of mentioning any definite proposals on how to bring peace in the region.

The two foreign ministers cautioned against the use of force by the United States and European nations, they told reporters.

During the three-hour meeting, Qian and Shevardnadze agreed that Iraqi forces should pull out of Kuwait as early as possible, and Iraq should respect Kuwaiti sovereignty. A peaceful, political solution to the crisis in the Middle East crisis should be sought, they said.

The foreign ministers also concurred in the view that the use of force by multilateral military forces would worsen the situation and might lead to a war, and that should be avoided.

Qian implicitly criticized the United States, saying a certain permanent member of the United Nations Security Council thought the issue would be resolved only through the use of minimum force.

Shevardnadze said the Soviet Union would keep in contact with China, the U.S. and other countries to seek a solution to the crisis, but added that efforts on the part of Arab nations would be particularly important.

Qian said he agreed with Shevardnadze on the maintenance of stability and the promotion of tension-easing efforts on the Korean peninsula.

China, however, will not support a unilateral move by South Korea for membership of the United Nations, which is not realistic at present, Qian said.

On Cambodia, Shevardnadze said he shared the view with Qian that the conflict will be resolved in the near future, suggesting the Soviet Union sided with China to solve the issue by establishing the Supreme National

Council, an interim body, to be participated in by the four warring Cambodian factions.

The two ministers agreed to set up consulates general in Shenyang, China, and Khabarovsk in the Soviet Union, sources at the meeting said.

Shevardnadze will leave Harbin on Sunday for Pyongyang, North Korea.

### Gulf Crisis Discussed

OW0209124290 Beijing XINHUA in English  
1221 GMT 2 Sep 90

[Text] Beijing, September 2 (XINHUA)—Chinese Foreign Minister Qian Qichen and his Soviet counterpart Eduard Shevardnadze ended their talks in Harbin yesterday after discussing the situation in the Gulf region, the Asia-Pacific region and Europe, the German reunification and Sino-Soviet relations.

According to a news release issued by the Chinese Foreign Ministry today, the two ministers were "greatly worried" by the Gulf crisis. They agreed that the crisis not only threatens peace and stability in the region, but also gravely affects the stability of the world situation as a whole.

"The two sides reiterate that Iraqi troops must withdraw from Kuwait immediately, unconditionally and completely; Kuwait's sovereignty, independence and territorial integrity should be restored; and the safety and freedom of foreign nationals in Iraq and Kuwait guaranteed.

"The two sides stand for a political solution to the Gulf crisis by peaceful means on the basis of strictly and earnestly implementing the United Nations Security Council resolutions. The two sides support the mediatory role played by the U.N. secretary general. The two sides exchanged views on using the U.N. Military Staff Committee, believing that this mechanism should play its role in accordance with the Security Council resolutions," the news release says.

It continues that the efforts for solving the disputes made by the Arab countries including the efforts made in the framework of the Arab League can make important contributions to relaxing the explosive situation.

"The Chinese and Soviet Governments appeal to all countries to exercise restraint, not using armed forces and taking no moves that may lead to escalation of the tense situation," says the release.

The two foreign ministers were aware that China and the Soviet Union, as standing committee members of the U.N. Security Council, shoulder great responsibility in safeguarding world peace.

"The two sides will continue consultations and cooperation and make efforts for restoring peace and stability in the Gulf at an early date," says the news release.

### Border Talks Accelerated

OW0109150390 Beijing RENMIN RIBAO in Chinese  
2 Sep 90 p 1

[Text] Chinese Foreign Minister Qian Qichen said here today that China and the Soviet Union have agreed to continue the group meeting of their border negotiation delegations in Beijing in the late October.

He said the agreement reached by the two sides aims at accelerating the process of Sino-Soviet border talks.

Qian released the information after he held working talks with his Soviet counterpart Eduard Shevardnadze.

He said that during the talks both sides discussed the questions of building up trust and reducing military forces in their border areas. To this end the delegations of Chinese and Soviet diplomatic and military experts will begin their second phase negotiation in Moscow on September 10.

Qian said that he hopes the negotiation will achieve positive results.

After the working talks, Shevardnadze said that these negotiations show the cooperation between the two countries has reached a new essential level.

The two foreign ministers also released that the Chinese and Soviet sides have decided to set up China's General Consulate in Khabarovsk in the Soviet Union and Soviet General Consulate in Shenyang in northeast China. Both sides reached an agreement on the issue.

### Ministers Meet Reporters

OW0109120990 Beijing Domestic Service  
in Mandarin 0930 GMT 1 Sep 90

[By station reporters Liu Zhenmin and He Yingzhao; from the "National Hookup" program]

[Text] Foreign Affairs Minister Qian Qichen and Soviet Foreign Affairs Minister Shervardnadze had a working meeting in Harbin this morning. They had a broad exchange of views on international issues of mutual concern, especially the Gulf situation, the Cambodian issue, and issues of bilateral relations. They were satisfied with the meeting, which lasted nearly three hours.

After the meeting, Qian Qichen and Shevardnadze had separate meetings with Chinese and foreign reporters and answered their questions. When asked whether China and the USSR share identical points of view toward the Gulf situation, Qian Qichen said: On the whole, the stands of China and the USSR are close or identical. Both sides are opposed to Iraq's invasion of Kuwait and demand that Iraq withdraw its troops from Kuwait unconditionally and as quickly as possible. Both sides maintain that Kuwait's independence, sovereignty, and territorial integrity should be reinstated and respected as soon as possible. They maintain that the issue should be settled peacefully through political

means within the framework of the resolutions of the UN Security Council and the Arab world. Both sides express concern over the Gulf situation. To avoid the sharpening of the situation or creating the danger of conflict and the eruption of war, the use of force should be avoided as much as possible now.

When asked if there were any differences between China and the USSR on the one hand and the three other permanent members of the UN Security Council on the other with regard to the Gulf issue, Qian Qichen said: The five permanent members of the UN Security Council voted for all its resolutions. Their views are identical on many important issues. Of course there are some differences. China does not stand for the use of force, but stands for the political settlement of the Gulf crisis through peaceful means. Some permanent members, however, maintain that the issue can only be resolved through the minimum use of force.

A reporter then asked him about the Korean issue. Qian Qichen said: Both the Chinese and Soviet sides hold that the situation on the Korean peninsula should be alleviated and that peace and stability should be maintained in that region.

Touching on bilateral relations, Qian Qichen said: To speed up the progress of Sino-Soviet border talks, both sides have agreed through discussion that the meeting of working groups of Chinese and Soviet delegations on border talks will be continued in the later part of October this year. Both sides will discuss the implementation of the reduction of military forces along Sino-Soviet border areas and an agreement on guiding principles for enhancing mutual understanding in the military field.

He said: To finalize the agreement, it has been decided that the second phase of talks between foreign and military experts of China and the Soviet Union will be held in Moscow on 10 September. We hope that the talks will achieve fruitful results.

Qian said: The Chinese and Soviet sides have also reached an agreement that China will set up a consulate general in the Soviet Union's Khabarovsk while the Soviet Union will set up a consulate general in China's Shenyang City.

Soviet Foreign Minister Shevardnadze told reporters that both sides discussed the Cambodia issue in depth. He said both sides pointed out that the five permanent members of the United Nations have done a lot of meaningful work, and also pointed out the importance of the coordination and unanimity of China and the Soviet Union. We have already embarked on a phase of fine cooperation and reached a conclusion on promptly solving the Cambodia issue, he said.

**Meets With Heilongjiang Governor**

SK0209030790 Harbin Heilongjiang Provincial  
Service in Mandarin 2100 GMT 1 Sep 90

[Text] Provincial Governor Shao Qihui met with Soviet Foreign Minister Shervardnadze and his entourage at the Huayuncun Hotel on the evening of 1 September. The guests and the host held cordial and friendly talks.

On behalf of the Heilongjiang Provincial government, Provincial Governor Shao Qihui extended a warm welcome to Minister Shervardnadze and other Soviet (?guests). He said: There were two major events in our Heilongjiang Province's friendly exchanges with foreign countries this year. One was the China Economic and Trade Fair with the Soviet Union and East European countries, which was held in Harbin in June. The other was the meeting of the foreign ministers of China and the Soviet Union, which was held in Harbin today. They were the major events that the 35 million people throughout the province followed with interest because these two events have a very great significance in promoting China's cooperation in economic, technological, and other fields and its friendly relations with the Soviet Union and East European countries.

Provincial Governor Shao Qihui continued to review the history of the long period of friendly exchanges between Heilongjiang Province and the Soviet Union and introduced our province's superior conditions for developing economic and technological cooperation with the Soviet Union and East European countries. He told the Soviet guests: In this year's China Economic and Trade Fair with the Soviet Union and East European countries, the two sides signed contracts worth 1.8 billion Swiss francs. Of the transactions, two-thirds were signed by Heilongjiang Province. The state has decided to hold such trade fairs in Harbin in June next year and the year after to welcome more Soviet friends to Harbin.

Minister Shervardnadze said to Provincial Governor Shao Qihui: I sincerely thank your province for providing us an opportunity to hold a meeting of foreign ministers of the Soviet Union and China in this beautiful city. He continued: We can see how great a scale the economic, scientific, and cultural cooperation between China and the Soviet Union has reached. Either between their central authorities or between their local authorities, the best cases in point were what you just said. After the relations between the Soviet Union and China were normalized, the coordination and cooperation between the Soviet Union and China in the international arena have become extremely important (?factors) for the stability and safety of the world.

Shervardnadze said: The Soviet Union and China share a border line of [passage indistinct]. I feel very happy to have this opportunity to visit Harbin and [words indistinct] with Harbin people. [sentence indistinct] Through you, I express with feeling my great thanks to the Harbin people who have safeguarded and cherished an ardent love for the monument to Soviet martyrs.

Present at the meeting were Foreign Minister Qian Qichen; Zhou Wenhua, deputy secretary of the provincial party committee; Yu Hongliang, Chinese ambassador to the Soviet Union; as well as Comrades Li Genshen, Ma Guoliang, Dai Moan, and Zhang Delin.

Shervardnadze and his party toured Songhua Jiang and the scenic spot of [words indistinct] on the afternoon of 1 September.

**News Release Issued**

OW0209122890 Beijing XINHUA in English  
1213 GMT 2 Sep 90

[Text] Beijing, September 2 (XINHUA)—Chinese Foreign Minister Qian Qichen and his Soviet counterpart Eduard Shervardnadze exchanged views on regional issues during their working meeting September 1 in Harbin, northeast China, according to a news release of the Chinese Foreign Ministry here today.

On the situation in the Asia-Pacific region, the two foreign ministers maintained that the role of this region in the world politics and economy has greatly increased. The two sides suggested that countries in the Asia-Pacific region should strengthen their coordination in solving regional problems and increasing political and economic cooperation.

The two sides decided that they would constantly hold consultations about Asia-Pacific regional issues, especially about promoting the settlement of the existing conflicts in Asia.

They discussed the Cambodia question from this angle. The two foreign minister shared the view that the settlement of the Cambodia question is in a decisive phase. The two sides expressed satisfaction with the five important documents on a political settlement of the Cambodia question, which were worked out by the five permanent members of the United Nations Security Council, believing that these documents have determined the framework of the political settlement of the Cambodia question. They expressed appreciation for the efforts made by the co-chairmen of the international conference in Paris, the ASEAN countries and other parties concerned.

The two foreign ministers hoped that the various parties in Cambodia will, on the basis of the documents worked out by the five permanent members of the U.N. Security Council through consultations, and in a short period of time, reach agreement on a political settlement, and set up a national supreme council (NSC) with the participation of all parties in Cambodia so as to create conditions for a general election in near future.

The two sides will welcome the fact if Prince Norodom Sihanouk will be elected chairman of the NSC.

The two sides reiterated that they will continue to work hard to make their own contributions to a comprehensive, just and reasonable solution to the Cambodia



question. They suggested that within the framework of a comprehensive political settlement of the Cambodia question, the various parties in Cambodia cease fire and China and the Soviet Union stop military aid to them, and called on other countries concerned to take the same measures.

The two sides showed concern for relaxation and stability in the situation in the Korean peninsula, maintaining that without the solution to the Korean peninsula question, it is impossible to achieve genuine security and stability in Northeast Asia. The dialogue between the North and South parts of Korea is of great importance for relaxing the tense situation. In view of this, the two sides hoped that the forthcoming meeting of prime ministers of the two parts of Korea will achieve positive results.

The two sides discussed the situation in Afghanistan as well as the prospects for securing national reconciliation and ensuring peace in this country. They hoped Afghanistan will be an independent, peaceful, neutral and non-aligned country.

The Soviet side briefed the Chinese side on the recent high-level contacts between the Soviet Union and the United States. The two sides touched upon the situation in Europe and the question of German unification. The two sides said that China and the Soviet Union have always understood and supported the aspiration of the German people to realize their national unification. They hoped that the unification of Germany will not only benefit the two Germanys and their people, but also be conducive to peace, stability and development in Europe and the world as a whole.

#### More on News Release

OW0209135190 Beijing XINHUA in English  
1330 GMT 2 Sep 90

[Text] Harbin, September 2 (XINHUA)—The Chinese and Soviet foreign ministers have expressed their satisfaction over the speedy development of Sino-Soviet relations in various fields.

This is stated in a press release issued here today by the Chinese Foreign Ministry.

The document says that both sides have pledged to make continued efforts for the implementation of the agreements reached at the Sino-Soviet summit meeting last year and to enhance the friendly neighboring relations between the two countries on the basis of the Sino-Soviet Joint Communiqué issued on May 18, 1989.

The two foreign ministers held, the release says, that the border negotiations have made progress and they stand for accelerating the negotiation process in order to solve the Sino-Soviet border problem in a just and reasonable way as soon as possible.

Both sides have decided that the regular meeting of the working groups of the Sino-Soviet border negotiation delegations will be convened later this October in Beijing.

They also decided that the continued talks on the reduction of armed forces on Sino-Soviet border areas and the strengthening of mutual trust in military field will be held in Moscow on September 10 and they hoped the talks will make progress. The two foreign ministers believed that the talks are of great significance for promoting the bilateral relations and enhancing mutual trust between the two countries.

The two foreign ministers have reached agreement on respectively establishing Chinese general consulate in Khabarovsk and Soviet general consulate in Shenyang as soon as possible. They held that this will not only be conducive to promoting the understanding and friendship between the two countries and peoples, but also the further development of direct links between the border areas of the two countries.

Soviet Foreign Minister Eduard Shevardnadze reaffirmed his invitation of his Chinese counterpart Qian Qichen to pay an official visit to the Soviet Union. Qian accepted the invitation with pleasure. The exact date for the visit will be decided through diplomatic channel.

#### Shevardnadze Departs

OW0209063790 Beijing XINHUA in English  
0628 GMT 2 Sep 90

[Text] Harbin, September 2 (XINHUA)—Soviet Foreign Minister Eduard Shevardnadze and his party left here by special plane today for the Democratic People's Republic of Korea.

Shevardnadze and Chinese Foreign Minister Qian Qichen held a working meeting Saturday. Both sides described the result of the meeting as "very satisfactory."

Among those present at the airport to see the Soviet Foreign minister off were Qian Qichen, governor of Heilongjiang Province Shao Qihui, Soviet ambassador to China O.A. Troyanovsky, and Chinese Ambassador to the Soviet Union Yu Hongliang.

#### 'Roundup' on Qian-Shevardnadze Meeting

OW0209092890 Beijing RENMIN RIBAO OVERSEAS  
EDITION in Chinese 3 Sep 90 pp 1,4

[Text] The working meeting between Chinese and Soviet foreign affairs ministers came to an end in Harbin yesterday. In this connection, the Ministry of Foreign Affairs issued a press roundup this morning. The full text follows:

Based on a mutual agreement, Qian Qichen, foreign affairs minister of the People's Republic of China; and



Shevardnadze, foreign affairs minister of the Union of the Soviet Socialist Republics, met in Harbin on 1 September 1990.

While in Harbin, the Soviet foreign affairs minister also met with Shao Qihui, governor of Heilongjiang; and Zhou Wenhua, deputy secretary of the Heilongjiang Provincial CPC Committee. The Heilongjiang Provincial Party Committee and the provincial government hosted a banquet in honor of the Soviet visitors.

The Soviet foreign affairs minister laid a wreath to the monument dedicated to the martyrs of Soviet troops who died in northeast China.

The meeting of the two countries' foreign affairs ministers was part of the Sino-Soviet in-depth dialogue on the most important international issues today. Both sides analyzed the Gulf situation; exchanged views on issues concerning the Asia-Pacific region, Cambodia, Afghanistan, the situation of the Korean peninsula, the situation in Europe, and the reunification of Germany; and discussed issues concerning bilateral Sino-Soviet relations.

The Chinese and Soviet foreign affairs ministers expressed deep concern over the current Gulf situation, maintaining that the Gulf crisis not only has seriously threatened the peace and stability in this region, but also has a serious impact on the stability of the world as a whole. Both sides reiterated that Iraqi troops must immediately, unconditionally, and completely withdraw from Kuwait; that the sovereignty, independence, and territorial integrity of Kuwait should be reinstated; and that the security and freedom of foreign citizens in Iraq and Kuwait should be guaranteed.

Both sides maintained that the Gulf crisis must be settled politically through peaceful means on the basis of strictly and seriously implementing the relevant resolutions of the United Nations Security Council. Both sides expressed support for the secretary general of the United Nations in giving play to his role of mediation. Both sides exchanged views on utilizing the mechanism of the UN Military Staff Committee [lian he guo jun can tuan ji zhi 5114 0678 0949 6511 0639 0957 2623 0455], and maintained that the role of this organization should be brought into play in accordance with the resolutions of the UN Security Council.

Both sides maintained that Arab states' efforts to settle the conflict, including the efforts exerted within the Arab League, can make important contributions to alleviating the explosive situation in this region. The Chinese and Soviet Governments called on all countries to exercise restraint, avoid the use of force, and not to take any actions that might further escalate the tense situation.

The two countries' foreign affairs ministers indicated that, as permanent members of the Security Council,

China and the Soviet Union shoulder great responsibilities for safeguarding world peace. Both sides will continue their consultations and cooperation, and work hard to restore peace and stability in the Gulf at an early date.

While discussing the situation in the Asia-Pacific region, both sides maintained that the role played by this region in the world's politics and economy has increased significantly. Both sides maintained that all countries in the Asia-Pacific region should intensify their coordination with regard to settling regional issues and strengthening their political and economic cooperation.

Both sides also agreed to carry out constant consultations on issues of the Asia-Pacific region and, in particular, to expedite the settlement of the existing conflicts in Asia.

Both sides discussed the Cambodian issue from this angle. The two countries' foreign affairs ministers unanimously maintained that the settlement of the Cambodian issue is already at a decisive stage. Both sides expressed satisfaction over the five important documents reached by the five permanent members of the UN Security Council on the political settlement of the Cambodian issue. They maintained that these documents have set the framework for the political settlement of the Cambodian issue; and they expressed their appreciation for the efforts made by the two chairmen of the Paris International Conference, all ASEAN countries, and other relevant quarters.

Both sides hoped that all Cambodian factions would soon reach an agreement on political solution on the basis of documents drafted by five permanent member states of the UN Security Council during their consultations, and set up a supreme national committee with the participation of all Cambodian factions, so as to create conditions for the soon-to-be-held general elections. Both sides said they would welcome if Prince Sihanouk were to be elected chairman of the Cambodian supreme national committee. Both sides reaffirmed that they will continuously work hard for and contribute to a comprehensive, fair, and reasonable solution to Cambodian issue. Both sides maintained that all Cambodian factions should, within the scope of a comprehensive political solution to the Cambodian issue, effect a cease fire, and that China and the Soviet Union will cease providing military aid to all Cambodian factions; both sides also called on other relevant countries to adopt a similar position.

Both sides were concerned about the detente and the stability in the situation of the Korean peninsula. Both sides hold that if the Korean peninsula issue is not solved, there will be no genuine security and stability in northeast Asia. The North-South dialogue holds an important significance in the lessening of the tense situation. Therefore, both sides hoped that North and South Korea would achieve positive results in the forthcoming prime ministers' meeting.

Both sides discussed the Afghan situation as well as the issues of the prospects of obtaining national reconciliation and a secured peace in that country. Both sides hoped that Afghanistan would become an independent, peaceful, neutral and nonaligned country.

The Soviet side briefed about the recent Soviet-U.S. summit meeting. Both sides talked about situation in Europe and the issue of the German reunification. Both sides said that they always understand and support the will of the people of the two Germanys on realizing the country's reunification. It is hoped that the reunification of Germany will not only benefit the two Germanys and their people, but also be a benefit to Europe as well as the peace, stability, and development of the world.

The foreign ministers of the two countries expressed deep satisfaction over the rapid development in all areas of bilateral relations. Both sides said they would continuously make joint efforts in implementing the agreement reached last year at the Sino-Soviet summit meeting and would continue to develop neighborly and friendly relations between the two countries on the basis of the "Sino-Soviet Joint Communiqué" of 18 May 1989.

The foreign ministers of the two countries held that progress has been made in the border talks. They both unanimously favored the acceleration of the process of the talks, so as to achieve a fair and reasonable solution of the Sino-Soviet border issue as soon as possible. Both sides agreed to continue holding the regular meeting of the working groups of the Sino-Soviet border talks delegation in Beijing in the latter part of October this year.

Both sides also agreed on holding the next phase of talks on the mutual reduction of the military forces in the Sino-Soviet border regions and on the confidence-building in military areas in Moscow on 10 September. Both sides hoped that the talks would produce progress. Both sides held that the talks will have important significance in strengthening relations of the two countries and in enhancing mutual trust.

The foreign ministers of the two countries reached an agreement on the prompt exchange in the establishment of general consular offices by China in Khabarovsk in the Soviet Union and by the Soviet Union in China's Shenyang. Both sides held that this will not only benefit the strengthening of understanding and friendship between the two countries and between the two peoples, but will also promote the further development of direct contacts between the border regions of the two countries.

Foreign Minister Shevardnadze reaffirmed the formal invitation of Chinese foreign minister to visit the Soviet Union. Foreign Minister Qian Qichen accepted the invitation with pleasure. The specific date of visit will be negotiated later through diplomatic channels.

The foreign ministers of the two countries conducted the talks in a warm and friendly atmosphere.

The Soviet side expressed thanks to the leaders and people of Heilongjiang province and Harbin City for warm hospitality.

#### **CHINA DAILY Reports on Minister's Meeting**

HK0409010490 Beijing CHINA DAILY in English  
3 Sep 90 p 1

[By staff reporter Zhang Ping]

[Text] Harbin—The Chinese and Soviet foreign ministers have called on all countries concerned to exercise restraint and avoid taking any step to aggravate the Gulf crisis.

During a three-hour talk held in this northeastern Chinese city on Saturday, the Chinese Foreign Minister Qian Qichen and his Soviet counterpart Eduard Shevardnadze agreed that the Gulf crisis should be settled "peacefully and politically."

At a news conference held after their meeting on Saturday, Qian said China and the Soviet Union share similar or identical views on a peaceful settlement of the Gulf crisis. Shevardnadze said the two countries are ready to further cooperate in promoting a peaceful end to the Gulf issue.

According to a Chinese Foreign Ministry statement issued in Harbin yesterday, the two foreign ministers expressed anxiety over current crisis in the Gulf, which they said "not only threatens regional peace and stability, but has a negative impact upon stability in the world."

Both sides have reaffirmed their stand that Iraqi troops should immediately and unconditionally withdraw from Kuwait, and Kuwait's sovereignty and independence should be respected and restored. The two foreign ministers also stressed that the safety and freedom of foreign citizens in both Iraq and Kuwait should be guaranteed.

The statement said both China and the Soviet Union support the mediation role played by the United Nations secretary general.

And according to Shevardnadze, the two foreign ministers have decided to continue their consultation at the next meeting of the UN General Assembly.

The Soviet foreign minister told reporters that China and the Soviet Union should maintain their close contact and key contact with the United States.

The statement said the two foreign ministers reached agreements on extensive international issues, including the Cambodia questions, the situation on the Korean peninsula, the Afghan problem and the reunification of the two Germanys.

Qian and his Soviet counterpart believed the process of resolving the Cambodian issue "has reached a final

stage." They also expressed satisfaction over the five documents concluded at the UN Security Council on Cambodia.

The two sides said they will continue to contribute to bringing about a comprehensive, fair and reasonable solution to the Cambodia issue.

Under such a comprehensive political solution of the Cambodia issue, all the Cambodian parties should agree on a ceasefire, and "China and the Soviet Union should stop their military support to the Cambodian parties, and urge other countries to do the same," according to the statement.

Shevardnadze said after the meeting that cooperation between China and the Soviet Union was important in solving the Cambodian issue, and "both sides now believe that the issue can be solved at an early date."

During their discussion of the situation on the Korean peninsula, the two foreign ministers agreed that security and stability in Northeast Asia could be ensured only through a peaceful settlement of the Korean issue.

They said they believed dialogue between the two sides of Korea is of major importance, and they hoped that positive results can be achieved during the upcoming premier-level meeting between the two sides.

The two foreign ministers have also decided to step up border negotiations between the two countries, in the hope of "achieving a fair and reasonable solution of the border issue as soon as possible."

The next round of border talks will be held in Beijing next month.

They have also agreed to continue the two countries' negotiations on the reduction of military forces along their borders, which will be held in mid-September in Moscow.

#### **Steadily Developing Sino-Soviet Relations Viewed**

*OW3108202790 Beijing XINHUA Domestic Service in Chinese 1558 GMT 31 Aug 90*

["Roundup: Sino-Soviet Relations Developing Steadily" by reporter Wan Chengcai (8001 2052 2088)]

[Text] Beijing, 31 Aug (XINHUA)—Both China and the Soviet Union, in observance of the goal of "putting an end to the past and opening up the future" and the spirit of the Sino-Soviet Joint Communiqué, promoted the steady, sound, and smooth development of their good-neighborly and friendly relations since normalization last year. Exchanges and cooperation between the two countries are continuing to expand as a result of common efforts.

First of all, high-level contacts between the two countries increased conspicuously in the past more than one year. Premier Li Peng made a successful visit to the Soviet Union at its invitation in April this year. This further

improved the relations between the two countries. In May, President Yang Shangkun made a stopover in Leningrad on his way to visit Latin American countries. Liu Huaqing, vice chairman of the Military Commission of the People's Republic of China, paid a visit to Moscow in June. Both sides expressed the desire to develop the friendly relations between the Armed Forces of the two countries. A delegation of the National People's Congress visited the Soviet Union in July under the leadership of Peng Chong, vice chairman of the Standing Committee of the National People's Congress of China. Important visits from the Soviet side also continued one after another. Both sides improved mutual understanding and promoted cooperation and exchanges in various fields through these important visits.

Second, economic and trade cooperation between China and the Soviet Union continued to develop in depth in the past more than one year. Cooperation in joint ventures, processing from imported raw and semifinished materials, information exchange, banking and advertisement services, and cooperation in other fields opened up in addition to the traditional barter trade and border trade. Gratifying results were achieved.

In January this year, the permanent committee for Chinese and Soviet cooperation in science and technology signed a new protocol in Beijing; the Foreign Trade Bank of the Soviet Union opened an office in Beijing and the Bank of China also opened an office in Moscow. The two countries signed in Beijing in March an agreement on payments and goods exchange for 1990, which stipulates that the trade volume of the two sides this year will increase by 36 percent of the actual volume reached in 1989. The Soviet Union is currently China's fifth largest trading partner. Four of the six important agreements concluded when Premier Li Peng visited the Soviet Union last April, are agreements on economic, scientific, and technological cooperation. These agreements reflect the achievements of bilateral cooperation and demonstrate the new prospects for economic and trade development between the two countries.

Transport channels between the two countries also increased with the expansion of economic and trade relations. In addition to the increase in the number of vehicles and ships plying between border areas of the two countries, air services between Urumqi and Alma-Ata, a city in Soviet central Asia, and between Harbin and Khabarovsk (Boli), a city in the Soviet Far East respectively opened. A railway from China's Xinjiang to Soviet Central Asia will link up in September this year. Doubtless, this European-Asian land bridge, which runs through China and the Soviet Union, will be conducive to expanding economic and trade cooperation between the two countries.

Third, diplomatic consultations are steadily expanding.



In January this year, Chinese and Soviet deputy foreign ministers continued to hold consultations on the Cambodian question. From January to August, Chinese and Soviet diplomatic representatives held six rounds of consultations with the diplomatic representatives of the other three permanent members of the Security Council in connection with the Cambodian question and concluded a package program for the overall political settlement of the Cambodian question. The foreign ministers of the two countries signed an agreement on reducing military strengths in the Sino-Soviet border areas in April this year. Sino-Soviet boundary negotiations have also made positive progress in an earnest and realistic atmosphere.

The Chinese and Soviet foreign ministers are scheduled to meet at a working meeting in Harbin on 1 September as a result of a decision by the governments of the two countries after consultation. This meeting will be held at a time when Sino-Soviet bilateral relations are developing soundly and when drastic changes are taking place in the international situation, particularly when the Gulf crisis has reached an explosive point. Consultation on this question by the foreign ministers of China and the Soviet Union, permanent members of the Security Council, is of positive significance for the peaceful settlement of the Gulf crisis. This meeting between the two foreign ministers is another important indication that Sino-Soviet relations are developing soundly and smoothly.

### Northeast Asia

#### Further on Visit by Japan's Shin Kanemaru

##### Meets With Li Peng

HK0409064090 Beijing RENMIN RIBAO in Chinese  
1 Sep 90 p 1

["Li Peng Meets Former Japanese Deputy Prime Minister"]

[Text] Beijing, 31 Aug (RENMIN RIBAO)—This evening, State Council Premier Li Peng met with former Japanese Deputy Prime Minister Shin Kanemaru and other Japanese guests visiting China in the Diaoyutai National Guesthouse. The host and the guests held wide-ranging talks in a friendly atmosphere.

Li Peng expressed a warm welcome to Shin Kanemaru who led a delegation to visit China, saying that he believed that Kanemaru's visit will certainly be favorable to the further consolidation of the existing friendly and cooperative relationship between China and Japan. Li Peng said: The development of Sino-Japanese relations to their present condition was the result of the joint efforts of the two governments and the people in various circles in the two countries, and such fruit was not easily reaped. Statesmen in both countries should guarantee

that the two peoples will always get along on friendly terms generation after generation and should take this as a basic principle.

Shin Kanemaru said: This is his first visit to China, and he felt very happy. Japan and China are two neighboring countries. The development of China with a population of 1.1 billion people is also in the interest of Japan. He indicated that he would continue to make contributions to the development of Sino-Japanese friendship.

Shin Kanemaru said: In Beijing, he visited the facilities for the coming Asian Games and he deeply believed that the Asian Games will certainly be very successful.

Li Peng said: We are grateful to Mr. Kanemaru for your care about the Asian Games. The Chinese Government hopes to turn the Asian Games into a grand gathering of unity among the people in all Asian countries and regions.

Li Peng also briefed the guests about the Chinese Government's principle of "one country, two systems" for the country's reunification.

Shin Kanemaru indicated that he was willing to play a bridging role to promote China's reunification.

After the meeting, Li Peng gave a dinner banquet to entertain Shin Kanemaru and his entourage.

#### Mediation Sought

OW3108152690 Tokyo KYODO in English  
1439 GMT 31 Aug 90

[Text] Beijing, Aug. 31 KYODO—Chinese Premier Li Peng called on pro-Taiwan veteran Japanese conservative politician Shin Kanemaru on Friday to serve as a bridge between Beijing and Taipei for reunification of the mainland and Taiwan, Japanese officials said.

Kanemaru, former deputy prime minister, accepted Li's suggestion that he recommend Taiwan to open talks with the mainland.

In an hourlong meeting with the Chinese premier at the Diaoyudai Guesthouse, Kanemaru was quoted as saying he hopes Beijing and Taipei will be tenacious in holding talks to reach agreement on ideas and principles.

The Japanese politician told Li that he strongly hopes for China's reunification and that he will be happy to play a role in the process toward reunification.

Kanemaru, leader of the largest power bloc within Japan's ruling Liberal Democratic Party (LDP), visited Taiwan in May to attend Taiwanese President Li Teng-hui's inauguration.

The Chinese premier told Kanemaru that he cannot accept Li's idea of "one state, two governments" but that he has proposed dialogue between the Chinese Communist Party and the Kuomintang (nationalist party) of Taiwan.

Li said, "I hope Kanemaru will urge Taiwan to open dialogues (with Beijing) to resolve issues, if there is a chance." Li was quoted as saying, however, that China is not necessarily impatient for reunification.

Li and Kanemaru agreed that Japan and China should make efforts to set up a system for training of Chinese youths in Japan, the officials said.

Kanemaru, noting that Japan brought much trouble to China before and during World War II, said Japan must strengthen friendly relations with China by all means.

Li replied that unhappy events must never be repeated, adding that it was not easy to establish Sino-Japanese relations to the present level.

Kanemaru, known as a political mentor of former Prime Minister Noboru Takeshita, is currently on an eight-day visit through September 5 as head of an 11-member LDP mission.

Li, speaking at a dinner given in Kanemaru's honor, touched on the Persian Gulf crisis and said the world must not make light of Iraq's million-strong Armed Forces.

Kanemaru said he strongly hopes for a peaceful settlement to the crisis, noting that Japan is heavily dependent on oil from the Middle East.

### Meets With Wu Xueqian

OW0109062190 Beijing XINHUA in English  
0549 GMT 1 Sep 90

[Text] Beijing, September 1 (XINHUA)—Chinese Vice-Premier Wu Xueqian spent one hour discussing the question of Taiwan with Shin Kanemaru, Japanese former deputy prime minister, at a working breakfast here today.

Wu told Shin that exchanges between the mainland and Taiwan have expanded to various fields since 1987 and some half a million Taiwanese have visited the mainland in the first six months this year.

This is very useful in promoting mutual understanding between the two sides, he said, adding that he hopes two-way exchanges will be realized as early as possible.

"We in the mainland will continue to work for the reunification with Taiwan under the principles of peaceful reunification and 'one country, two systems,'" Wu stressed.

Shin said he believes that patient dialogue between the two sides will bring about reunification in a date not too far away. He was ready to pass on messages between the two sides, he added.

### Meets With Jiang Zemin

HK0409065490 Beijing RENMIN RIBAO in Chinese  
3 Sep 90 p 1

["Jiang Zemin Meets Former Japanese Deputy Prime Minister Shin Karemaru"]

[Text] Beijing, 2 Sep (RENMIN RIBAO)—This morning, CPC Central Committee Secretary General Jiang Zemin met with former Japanese Deputy Prime Minister Shin Karemaru and the main members of his entourage in Zhongnanhai. The host and the guests had sincere talks in a friendly atmosphere.

Jiang Zemin said: "The Chinese side attaches importance to Mr. Karemaru's current visit, and many Chinese leaders have met with you. I just returned from Xinjiang yesterday, and I am very glad to meet you today."

Karemaru said: This is his first visit to China. He hoped for such an opportunity long ago, "but as a result of some historical reasons, the trip could not be made until now."

Jiang Zemin said: "We always welcome you no matter whether you come earlier or later. We know that you have good relations with Taiwan, but this does not affect the friendship between you and us."

When talking about Sino-Japanese relations, Karemaru said: "In the past, Japan caused tremendous misfortune to China. Because China adopted a lenient attitude, the two countries could develop today's friendly relations. China has a population of 1 billion people. China and Japan should be able to become prosperous together."

Jiang Zemin said: There was indeed an unhappy experience between China and Japan, and that was a painful experience for China. We should let people of the younger generation in our countries know that Sino-Japanese friendship must be kept generation after generation.

Jiang Zemin also briefed the guests on the exchanges between the Chinese mainland and Taiwan. He said that we are willing to hold "party-to-party talks" with Taiwan at an earliest possible date and to realize the country's reunification according to the principle of "one country, two systems."

Shin Karemaru expressed understanding on this point. He said that he was "willing to do something to promote this and to play a bridging role."

At the end of the one-hour talks, Jiang Zemin told the guests: "As a Chinese saying goes, 'strangers the first time, friends the second.' We welcome you to come next time."

### Ties With Taiwan Viewed

OW0209074790 Beijing XINHUA in English  
0718 GMT 2 Sep 90

[Text] Beijing, September 2 (XINHUA)—Chinese Communist Party leader Jiang Zemin and former Japanese

Deputy Prime Minister Shin Kanemaru spent one hour together discussing the Taiwan question and Sino-Japanese relations here today.

Jiang, general secretary of the Chinese Communist Party Central Committee, said that China attaches great importance to Shin's visit.

Jiang, coming back to Beijing yesterday from an inspection tour in Xinjiang in northwest China, said that "I am very happy to meet you today."

"We know that you have close ties with Taiwan. This does not affect your friendship with us," Jiang told the 76-year-old Shin.

Jiang briefed the visitor on the exchanges between the mainland and Taiwan, reiterating the proposal for early negotiations between the Communist Party and the Kuomintang.

He stressed that China should be reunified under the principle of "one country, two systems."

Shin said that he was in favor of such negotiations and expressed his willingness to do something useful to this end.

Shin and Jiang recalled the Japanese war of aggression against China, which brought untold sufferings to the Chinese people 45 years ago.

Shin said that good relations have been established between the two countries because China has adopted a policy of forgiveness.

Jiang said that the two sides should make efforts to educate the young people to work for a lasting friendship between the two countries.

### Unification Discussed

OW0209110990 Tokyo KYODO in English  
1034 GMT 2 Sep 90

[Text] Beijing, Sept. 2 (KYODO)—China's Communist Party Chief Jiang Zemin on Sunday asked Japan's former Deputy Prime Minister Shin Kanemaru to serve as a bridge between Beijing and Taipei, explaining his policy requirements for unification between the mainland and Taiwan, Japanese officials said.

It was the first time Beijing has revealed its basic stance on the unification issue to foreign dignitaries.

In hour-long talks with Kanemaru, Jiang said Beijing would maintain a "one state, two systems" stance, retaining the administrative organization of the current Taiwanese Government under a future unified China. Beijing has no plan to send government officials to Taiwan, Jiang added.

The Communist Party leader said that Beijing cannot accept a call not to use military force against Taiwan. The armed forces are not designed to be directed against

the Taiwanese people but may be needed to counter possible interference from foreign countries and splinter groups in mainland China, Jiang said.

Jiang added that Beijing cannot also agree on the idea of "one state, two governments" advocated by the Taiwanese Government.

Kanemaru, leader of the largest faction within Japan's ruling Liberal Democratic Party (LDP), was quoted as telling Jiang he visited Beijing in the hope of helping the unification process between Mainland China and Taiwan.

Kanemaru, who is known for his pro-Taiwan stance, is in Beijing for the first time. The veteran conservative politician visited Taiwan in May to attend Taiwanese President Li Teng-hui's inauguration.

In response, Jiang was quoted as saying he would appreciate efforts Kanemaru can make to promote unification negotiations between Beijing and Taipei.

On China's military crackdown on pro-democracy demonstrators in Tiananmen Square last June, Kanemaru said that he understands the Chinese leadership made a final decision to use the military when they considered they had no other options. But he said he thinks that had the Chinese Government had riot police, the situation would have developed differently.

Jiang did not give a detailed explanation of the incident but said, in an apparent reference to then party leader Zhao Ziyang, that the situation was complicated by different opinions within the Chinese leadership.

Zhao, known as an architect of the liberal economic reform policies pursued in China in the early 1980s, was removed from all posts for his conciliatory stance toward the student-led pro-democracy movement after the Tiananmen Square incident.

Kanemaru is scheduled to return home on Wednesday after visiting Dalian, Shenyang, and Shanghai.

### Yang Shangkun Meets Kanemaru

HK0309140690 Beijing XINHUA Domestic Service  
in Chinese 1232 GMT 3 Sep 90

[Report by reporter Chai Shikuan (2693 0013 1401): "Yang Shangkun Met With Shin Kanemaru"—XINHUA headline]

[Text] Beijing, 3 Sep (XINHUA)—This afternoon President Yang Shangkun met with former Japanese Deputy Prime Minister Shin Kanemaru at the Great Hall of the People. Both the guests and the host talked for more than one-hour on matters of common interest in a friendly atmosphere.

According to a Foreign Ministry official, during the meeting Shin Kanemaru said: Even before World War II,



Japan had brought great misfortune to China. The Japanese and Chinese peoples must be friendly from generation to generation. He himself and young Japanese statesmen who were accompanying his visit stood for the development of Japan-China friendly relations.

Yang Shangkun said: China and Japan had a long history of good-neighborliness. There was also an unfortunate period. China takes a forward-looking attitude with regard to that unfortunate period. We on both sides will make concerted efforts to ensure a long-term and steady development of Sino-Japanese friendly and cooperative relations. We should not allow small setbacks to waver our determination in ensuring our friendliness from generation to generation. Chinese leaders of the older generation and the Chinese people will not forget those Japanese friends who have made a contribution to Sino-Japanese friendship, or are making efforts in that respect.

Yang Shangkun briefed his guests on the guiding principle of using "one country, two systems" to unify the motherland. He pointed out: "In listening to both sides, you will be enlightened. Mr. Shin Kanemaru has many friends in Taiwan. I hope you will hear the views of our side and play a positive role in the question of China's reunification."

Shin Kanemaru stated that he would do his best in this regard.

Shin Kanemaru handed Yang a letter for Deng Xiaoping from Japanese Prime Minister Kaifu. Yang Shangkun said that he would forward the letter to Comrade Deng Xiaoping.

Shin Kanemaru and his party will tour Shanghai tomorrow, and leave for home the day after tomorrow.

#### High-Level Contacts Urged

*OW0309142590 Tokyo KYODO in English  
1346 GMT 3 Sep 90*

[Text] Beijing, Sept. 3 KYODO—China asked Japan on Monday to reopen exchanges between top government officials, suspended since the Chinese Government crackdown on pro-democracy demonstrations in Tiananmen Square in June last year.

Chinese President Yang Shangkun made the request when he met former Japanese Deputy Prime Minister Shin Kanemaru at the Great Hall of the People.

Yang also called on Kanemaru to build a bridge between China and Taiwan to achieve their unification.

He said, "I hope the impact of the Tiananmen Square incident will lose its momentum and contacts between high-ranking Chinese and Japanese Government officials will reopen as soon as possible."

Yang urged Kanemaru, leader of the largest faction of the ruling Liberal Democratic Party (LDP), to exert his

influence on Japanese politicians for reciprocal visits of high-ranking Chinese and Japanese Government officials.

Kanemaru referred to Japan's aggression on China before and during World War II, saying he regretted the matter.

Kanemaru said he will make every effort to promote mutual prosperity between the two countries to make up for Japan's atrocities against the Chinese people.

Kanemaru and Yang agreed that Japan and China should step up relations.

Yang said he hoped Kanemaru will play a role in promoting the unification of China and Taiwan.

Kanemaru said he will make efforts to do so.

#### Gulf Crisis Viewed

*OW0309123390 Tokyo KYODO in English  
1147 GMT 3 Sep 90*

[Text] Beijing, Sept. 3 KYODO—Former Deputy Prime Minister Shin Kanemaru on Monday said Japan should consider revising the Self-Defense Forces (SDF) Law and other statutes so it can send noncombat SDF personnel abroad during international emergencies.

But the senior ruling Liberal Democratic Party politician also told Japanese reporters accompanying him that the government should not change such important laws without first obtaining the consent of the people.

Regarding the current crisis in the Middle East, Kanemaru said it would be a mistake for Japan to send combat troops to the region in light of its postwar Constitution which renounces the use of force to settle disputes.

But the head of the ruling party's biggest faction also suggested that Japan could exercise a number of options despite current legal limitations against the use of force if Japanese nationals now detained in Iraq are placed in grave danger.

In a meeting Monday with Zhu Liang, who heads the Chinese Communist Party's International Liaison Department, Kanemaru urged China to help resolve territorial issues between Japan and the Soviet Union.

Zhu said in response that China supports Japan's demand for the return of four islands off Hokkaido that have been occupied by the Soviet Union since the end of World War II.



## Near East & South Asia

### Iraqi Invasion of Kuwait Analyzed

HK0109084090 Beijing LIAOWANG in Chinese No 34,  
20 Aug 90 pp 43-44

["News Analysis" by Mu Guangren (4476 1639 0088):  
"Invasion That Upsets a Game of Chess"]

[Text] The salvoes of Iraqi tanks and artillery invading Kuwait has broken the two-year silence in the Gulf, upsetting the existing order in the Middle East, and interrupting the train of thought of European and American government VIPs on developing a new pattern in the world.

Iraq has continuously escalated its actions. Within a few days after 2 August, it escalated its actions from invasion, occupation, and the establishment of a "free provisional Kuwait Government and the Kuwaiti "people's army" to, eventually, the "annexation" of Kuwait to Iraq.

The world has given a very strong reaction. In a matter of days, the UN Security Council passed three resolutions, from calls for an Iraqi troop withdrawal, mandatory economic sanctions, and arms embargo to rejection of the Iraqi annexation of Kuwait.

Many people in the world have been shocked and surprised. Those familiar with Middle East affairs are seeking the locus of the happening of this event and its development.

After being at war with Iran for eight years, Iraq has ceased fighting for only two years. It has sustained about \$200 billion in losses in the war and the Iraqi people urgently need rehabilitation. The state is confronted with the arduous task of rebuilding. However, it lacks funds and its foreign debts has come to \$80 billion. According to a SANKEI SHIMBUN article, during the Iran- Iraq war, Iraq borrowed \$35 billion from Kuwait and Saudi Arabia. Iraq held that these debts should be written off at one stroke. On the oil issue, Iraq has always complained that the increased oil output by Kuwait and the United Arab Emirates have caused oil prices to slide and made Iraq lose \$14 billion in oil revenue. Iraq wanted Kuwait to make compensations and maintained that OPEC members should limit output and raise prices. According to this article, following the occupation of Kuwait, Iraq owns 20 percent of the world's oil reserves and its oil export will account for 10-15 percent of oil imported by Japan and the United States. This, plus its military superiority, will give it an incomparable say among oil-producing countries in the Gulf. Moreover, Iraq also accused Kuwait of stealing oil in the border area worth \$2.4 billion. Although Kuwait categorically denied this, the Iraqi side still wanted compensations from Kuwait. There were also disputes between the two parties on the border issue and the leasing of Bubiyan Island. At the talks held in Jidda, both parties reached agreement on neither issue. The invasion took place immediately after

the breakdown of the talks. Some observers hold that judging by the development of things following the invasion, Iraq's objectives are not limited to those raised at the talks.

In the Iran-Iraq war, Iraq was neither the victorious nor the defeated side. Recovering from setbacks in the eighth year of the war, it drove away the Iranian troops occupying Al Faw and pushed the battle line all the way to the Iranian border. During the eight-year war, Iraq trained a million well-experienced troops, purchased a lot of advanced weapons and equipment, including medium-range missiles and Mirage fighters, and set up its own ammunition industry. It has emerged as a Gulf military power in the Middle East arena. Meanwhile, it is also a major oil-producing country and one of the important OPEC member countries. By dint of such a status, it calls for a greater role in the Gulf and in the Arab world as a whole.

The reactions of the Arab world have been complicated. Most denounce the invasion and call for troop withdrawal; some are so worried and fearful that they give a cautious response; and some are opposed to denunciations and sanctions for different interests. The Arab League's decision to call for Iraqi troop withdrawal was passed by a majority of 14 votes instead of unanimous approval. The Arab summit on 10 August again reflected this reality. The resolution on dispatching Arab troops was approved by 12 assenting votes. This shows that the process of improving relations and seeking unity within the Arab world over the past two years has broken off. However, on the question of opposing intervention by big powers and calling for a solution within the Arab framework, there is a considerable degree of consensus. Egyptian President Mubarak and some Arab leaders have made great efforts to mediate the Iraq-Kuwait dispute and bring a solution to the crisis within the Arab framework. Many Arab countries are worried that the United States, which is an Israeli strategic ally, will meddle in and make the situation more complicated and explosive.

Since the start of the invasion, the United States has given an extraordinarily strong reaction. It sets all machines in motion: Coordinating with Western allies for joint sanctions against Iraq—freezing Iraqi and Kuwaiti assets abroad, suspending arms supplies to Iraq and import and export trade, and imposing a blockade; urging Saudi Arabia and Turkey to close Iraqi oil pipelines in their territories; instigating internal forces in Iraq to overthrow the Saddam regime; and, in particular, moving troops to the Middle East on a large scale. The Pentagon is working out various plans for military intervention, including imposing a sea blockade, launching air strikes against Iraqi military and oil installations, and dispatching air and ground troops to Saudi Arabia.

According to a U.S. Government source, by 8 August, the United States had moved at least 5,000 troops and

140 land-based aircraft to the Middle East. Headed by three aircraft carriers, U.S. fleets are steaming toward the Gulf.

The United States does not attempt to deny that its military buildup and its dispatch of troops to Saudi Arabia are aimed at defending U.S. strategic interests in the Middle East and even the entire globe. The United States does not want to see a "disobedient" Arab military power emerge in the Gulf. Some 20 to 30 percent of the U.S. crude oil import comes from the Gulf oil-producing countries; Japan and Europe rely on the Gulf oil to an even larger extent. If Iraq is predominant in the Gulf, this will be a "strangling" major event to the United States, as well as its Western allies. The U.S. economic circles are worried that the soaring oil price rises since 2 August will have a destructive effect on the U.S. and the world economy. Judging by the overall strategic situation, no matter how the trends of U.S.-Soviet detente develop and no matter how a new pattern takes shape in Europe and the world as a whole, the Gulf, which is an important strategic place, is important to the United States. In a multipolarized world, the influence of the United States in the Middle East and some other regional conflicts are weakening. But the United States is unwilling to fall from the top of the world and become an "ordinary big power." Utilizing Soviet retreat from the Middle East, it strives to take the lead in overthrowing Saddam Husayn and strike at the "radical forces" which are gaining ground in the Arab world; at the same time, under the banner of opposing the Iraqi invasion, it tries to draw the Western allies and even many countries in the world into the U.S.-organized crusaders and bring them into the U.S. strategic orbit. This method of "killing two birds with one stone" is likely an effort on the part of the United States to reverse the declining trend of its self-styled "leadership position."

However, Washington is taking a very great risk. It cannot but consider that fighting a war with an Arab country will probably be opposed by world public opinion and rekindle anti-American feelings among the Arabs and that fighting a desert war with Iraq will probably cause unending bloodshed. It is also worried that the large numbers of Americans stranded in Kuwait and Iraq will be used by Iraq as a card for reprisals. Moreover, its Western allies may still support the United States in varying degrees on such actions as sanctions and blockade but, as soon as the war breaks out, that will be another matter. These Western oil consumers are worried that, if the crisis drags on for a long time, they will suffer as a result of the blockade. All these factors cannot but make the White House act cautiously.

On 10 August, Saddam declared that he would wage a "holy war" against the United States and Saudi Arabia. The United States has rejected Saddam's proposal for solving the Gulf crisis. Both the United States and Iraq are ready to fight. The strong smell of gunpowder is enveloping the Middle Eastern sky. The whole world is closely following the development of the situation with an extremely uneasy mind. The world public opinion

calls on Iraq to withdraw its troops from Kuwait, respect Kuwait's independence, sovereignty, and territorial integrity; and hopes that the event can be solved in the Arab framework. Whether things will develop according to people's good wishes, we should still wait and see.

#### **Iraq, Kuwait Conflict, World Oil Market Viewed**

*HK0209052490 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese 17 Aug 90 p 28*

[Article by Jiang Hong (3068 4767): "Conflict Between Iraq and Kuwait and World Oil Market"]

[Text] At dawn on 2 August, Iraq, one of the founders of the Organization of Petroleum Exporting Countries [OPEC], forced its armed invasion in Kuwait, another OPEC founder, and led to the unprecedented strained condition in the Gulf area, with the world oil market becoming unstable.

Oil production in excess of quotas by two OPEC members, Kuwait and the United Arab Emirates, affected the slump in the world oil prices between last March and June. The official OPEC oil prices fell below \$14 per barrel, at the low level during the oil price war in 1986. The Iraqi Government was very much annoyed about it, because the eight-year Iran-Iraq war resulted in its foreign debts between \$65 billion and \$80 billion (of which its debts to Saudi Arabia and Kuwait amounted to \$30 billion). Moreover, a huge sum was needed for its postwar economic restoration. Since the end of June, Iraq fiercely attacked Kuwait and the United Arab Emirates for overproduction to bring down oil prices, especially Kuwait, saying that it had stealthily excavated Iraqi oil in terms of \$2.4 billion on the border. On 10 July, King Fahd of Saudi Arabia invited the Gulf Arabian oil-producing petroleum ministers of Kuwait, the United Arab Emirates, the State of Qatar, and Iraq to Jiddah to negotiate, and convinced Kuwait and the United Arab Emirates to stop overproduction, while admonishing the United Arab Emirates to accept the per diem quota of 1.5 million barrels. Thus a groundwork was laid for the smooth convention of the 87th OPEC Session at ministerial level in Geneva on 25 July.

Saudi Arabia's mediating plan was accepted at the said meeting with a solution to the overproduction of Kuwait and the United Arab Emirates, which had perplexed OPEC for many years, while fixing the per diem output ceiling for the second half of the year at 22.491 million barrels, a 700,000-barrel cutback from the actual output at that time. The meeting also decided to raise the average OPEC oil price from \$18 to \$21 per barrel. That was the first time for the OPEC to raise its official prices in 10 years, and the result of the compromise between "the tough faction" headed by Iraq, which were for raising oil prices, and "the mild faction" headed by Saudi Arabia, which were for a steady rise in oil prices. OPEC officials said, calculated at the dollar in 1986, with factors of inflation and the dollar devaluation deducted, OPEC's average oil price should be \$22.7 per barrel. All participating OPEC petroleum ministers were

satisfied with the result of the meeting. Oil prices continued to rise steadily in the wake of the meeting, and the OPEC member countries calculated that by the end of the year, the target of average oil price arriving at \$21 per barrel might be fulfilled.

A week later, nevertheless, Iraq suddenly invaded Kuwait; consequently, world oil prices jumped from a gradual rise. In 10 days, two sharp rises in oil prices took place in New York, London, Tokyo, and Singapore. The first price rise took place on 3 August, the very next day of the Iraqi invasion in Kuwait, the rise was \$3 per barrel; and the second rise took place on 6 August, namely the very next day of Japan and the EEC accepting the U.S. proposal to stop importing from Iraq, and the price was up more than \$3 per barrel. The price for future of U.S. standard crude oil—Texas medium-quality oil—rose to \$28.5 per barrel on 6 August, the record high in recent five years. On 9 August, rumor had it that Saudi Arabia decided to increase 2 billion barrels on a per diem basis to compensate for the gap derived from the termination of oil export from Iraq and Kuwait, and this led to an average \$3 fall in oil prices per barrel. However, compared with the lowest price in mid-June, the per barrel oil price was up by between \$8 and \$10. According to Western personalities of the oil circles, should the panicky mentality fail to be dispersed or should a new crisis surface in the Gulf area, there is no way to dispel the possibility of oil prices climbing up between \$30 and \$40 per barrel, and even higher.

The U.S. administration believes that the key to exercising sanctions against Iraq lies in cutting its economic life blood—oil export. On 6 August, Iraq shut, on its own, its oil pipeline to the Mediterranean via Turkey; while Turkey pronounced shutting another Iraqi pipeline via Turkey on 8 August in the wake of the United Nations' decision on exercising economic sanctions against Iraq. Another Iraqi oil pipeline leading to the Red Sea via Saudi Arabia was also paralyzed. The Iraqi outlet from the Persian Gulf to the Hormuz Strait has also been blocked by the United States. All export of Kuwait crude oil and oil products have been stopped since 2 August. Both Iraq and Kuwait have been important oil-producing countries of the Gulf area, with a joint per diem quota of 4.6 million barrels, and a per diem export of approximately 4 million barrels. Now that this volume of crude oil has suddenly been removed from the world market in addition to war threat and an unknown future, a rocketing in the world's oil prices is inevitable.

However, such price-rocketing is a result of the political and military situation, and an extraordinary state at that. Should the situation stop from worsening, the rocketing of oil prices is not likely to be permanent. This is because:

First, presently Western developed countries have 3.4 billion barrels of oil in stock, being sufficient to meet a 100-day demand. Japan, which depends on most of its oil supply from the Middle East, has oil in stock enough

to last 142 days. Voluminous crude oil the OPEC over-produced in the first six months of the year is still stored on land or at sea awaiting marketing.

And second, the world has an extra oil extracting capacity of 4 million barrels per diem, while Saudi Arabia accounts for half the world's extra oil extracting capacity. OPEC member countries and other non-OPEC oil-producing countries such as Mexico and Egypt are capable of filling in the gap resulting from Iraq and Kuwait stopping their export.

Of course, the political and economic factors that cause the instability of the world oil market should by no means be neglected. The Gulf and Middle East situation centering around the Iraq-Kuwait dispute has been complicated with an impending war. Development and evolution of such situation will have a direct bearing on the world oil market.

#### Article Claims Gulf Crisis at Stalemate

HK0209085890 Hong Kong TA KUNG PAO in Chinese  
2 Sep 90 p 2

[Article by Kung Yaowen (7895 5069 2429): "The Month-Long Gulf Crisis Is Now in a Stalemate"]

[Text] As of today (2 September), a whole month has passed since the Iraqi invasion of Kuwait. In the past month the whole world has been seriously affected by the Gulf crisis and the international oil, financial, and monetary markets have experienced frequent and powerful shocks. The world is wondering whether a hot war will break out between the United States and Iraq; what changes there would be in the Middle East situation if the United States really staged a war of quick decision against Iraq; whether gas and chemical warfare will cause disastrous consequences; when an oil crisis will emerge; and whether the dollar and the U.S. economy can withstand the consequences of this regional war.

It is absolutely natural for the people of the world to show deep concern about this crisis in the Gulf, since the supply and demand of oil and changes in the U.S. economic situation will inevitably have impact on the economy of many other countries and areas as well.

A month has passed since the crisis took place. What is worrying us is that the danger of war is steadily increasing. Although Iraq has promised to release women and children of foreign nationalities, it is insisting on its annexation of Kuwait and refusing to withdraw its troops. Meanwhile, the United States keeps on sending reinforcements to Saudi Arabia and is stepping up the blockade of the Gulf to keep Iraq from any aid from abroad. Will Saddam Hussayn, in face of the impasse, risk everything in a single venture, regardless of the consequences? Or will Israel take a preemptive action to attack Jordan or Iraq?

A month after the rise of the crisis, all the world is hoping that the parties concerned will try their best to cause Iraq



to withdraw its troops after negotiations, avoiding bloodshed and destruction. For this reason, more countries are afraid that the United States will use its armed might to launch an offensive recklessly, without exhausting diplomatic means, thus causing a drastic deterioration of the crisis and making the situation hopeless.

At the moment many countries are making different efforts to find a way out of the present stalemate and to force Iraq to withdraw its troops. It appears that the Gulf crisis has entered its second stage as from September.

UN Secretary General Javier Perez de Cuellar has held talks with Iraqi Foreign Minister Tariq Aziz in Amman, the capital of Jordan. He called on Iraq to immediately withdraw its troops from Kuwait and release foreign nationals without preconditions. But his efforts seem to be fruitless. Aziz on his part asked for a U.S. guarantee not to attack his country as a precondition for the release of hostages. As for the withdrawal of troops from Kuwait, Iraq's stand remains unchanged. The French newspaper *LE FIGARO* on 31 August carried an interview with Aziz. During that interview Aziz said: "If foreign warships and aircraft attack Iraq, we will strike back by every possible means." Talking about the UN secretary general's mediation mission, he said: Mr. Javier Perez de Cuellar did take part in the mediation efforts during the Iran-Iraq war, but the efforts failed. This indicates that Iraq did not place hopes on Aziz's meeting with the secretary general.

Because the talks were unexpectedly postponed one day based on an agreement between the two sides, the results of the talks were not known until yesterday. But Aziz told reporters on 31 August: "In spite of international conspiracy, Iraq is bound to win." He also asserted that "Kuwait had been a part of Iraq;" "the present crisis arose only after the deployment of U.S. and Western European troops in the Gulf region, therefore these troops should withdraw first." His remarks show that Iraq still has no intention to withdraw its troops.

During a round of talks in Harbin yesterday, the Chinese and Soviet foreign ministers talked of the Gulf crisis. Both sides agreed to strengthen cooperation in an effort to seek a peaceful and political solution to the crisis. Briefing the press on their three-hour talks afterward, the two foreign ministers said that their stands are close and they share similar views on the Gulf crisis, namely, 1) both China and the Soviet Union oppose Iraq's military operation in Kuwait and call on Iraq to withdraw its troops without preconditions; 2) both sides call for a restoration of Kuwait's independence and sovereignty; and 3) both sides maintain that the problem should be resolved peacefully and by political means, on the basis of the resolutions adopted by the UN Security Council and within the Arab world. Both the Chinese and Soviet sides emphasized that for the time being every effort should be made to avoid use of force and to prevent aggravation of the situation and the possibility of war.

Both China and the Soviet Union are on good terms with Iraq. For the moment it is still too early to judge whether the stand of China and the Soviet Union can influence Iraq or not. But China and the Soviet Union will possibly be able to act as mediators when Iraq finds it hard to withstand the blockade.

In Beijing, Chinese leaders have also talked about their concern over the Gulf crisis with the visiting noted Japanese politician Shin Kanemaru. Both the Chinese and Japanese sides have expressed their hope to seek a political solution without causing any war. Japan of course does not want to see a deteriorating situation in the Middle East, as 70 percent of its oil is supplied by the oil producing countries in Arabia. The Japanese Government's decision on a \$1 billion appropriation to support the international forces has aroused stern condemnation by Iraq. Under the United States' pressure, however, Japan cannot but share the military spending. So long as the Middle East crisis remains unsolved, Japan will hardly be able to extricate itself from the dilemma.

By late September, the U.S. ground forces deployed in Saudi Arabia will have increased to 150,000 men. Together with the 100,000-strong naval and air forces, the total U.S. force in the region will be 250,000. While selling a \$2.2 billion worth of arms to Saudi Arabia and offering an additional \$2 billion military aid to Egypt, Bush has urged Saudi Arabia, Kuwait, the United Arab Emirates, and Qatar to share its military spending and provide the United States with military bases. The presence of a strong U.S. force in the Gulf region is bound to cause divisions within the Arab world. Some of the Arab countries will be relying more heavily on the United States, while the others with a radical stand, such as Palestine, Sudan, Libya, and Jordan, will turn to support Iraq.

Egypt and those Arab nations in the Gulf which assume a moderate stand insist that Iraq must withdraw its troops without preconditions and reinstall the Kuwaiti Jabir regime. What is more, as Saudi Arabia and the other Gulf nations have no other choice, they would rather pay for the foreign forces to maintain peace in the Gulf and would offer them bases. Now that Iraq is suffering from economic blockade, embargo, military threat, and other unfavorable conditions, the Saddam regime will soon be endangered by the shortage of grain and other materials and the loss of public confidence at home if the dire straits continue. Therefore we believe that the present hard line that Iraq is taking is merely an outward appearance—it will be facing more and more obvious difficulties. Given the present stalemate, various secret contacts will be made through various channels. There is still a good chance that a political solution to the Gulf crisis will be found if Saddam Hussayn is given an out without losing face, or if the Arab countries can work out through consultations an arrangement acceptable to both Iraq and Kuwait. The crisis has now lasted a month. What the world is concerned about now is not the possibility of an Iraqi invasion of Saudi Arabia but that of a reckless operation aimed at rooting up the

Saddam regime, to be launched by the United States when its deployment of forces is strong enough.

### West Europe

#### Foreign Minister Qian Departs for Turkey

OW0209145590 Beijing XINHUA in English  
1444 GMT 2 Sep 90

[Text] Beijing, September 2 (XINHUA)—Chinese Foreign Minister Qian Qichen left here to pay an official goodwill visit to Turkey by air tonight.

After his Turkey trip, Qian will visit Peru, Bolivia, Colombia and Venezuela.

The Chinese foreign minister is invited by his counterparts of the five countries to pay these visits.

After visiting the five countries, the Chinese foreign minister will attend the 45th session of the U.N. General Assembly in New York.

At the airport, Qian was seen off by Chinese Vice-Foreign Minister Liu Huaqiu and the diplomatic envoys of these five countries to China.

#### Qian, Turkish Counterpart Discuss Gulf Crisis

OW0409003090 Beijing XINHUA in English  
2355 GMT 3 Sep 90

[Text] Ankara, September 3 (XINHUA)—The current Gulf crisis has posed a grave threat to peace in the region and the world as a whole, Chinese Foreign Minister Qian Qichen said here today.

The visiting Chinese foreign minister made the remarks tonight at a dinner given by his Turkish counterpart Ali Bozer.

Qian said, "The Chinese Government is opposed to Iraq's armed invasion and annexation of Kuwait. Annexation of a sovereign state by another constitutes a total violation of the United Nations charter and norms governing international relations and is therefore inadmissible."

"Iraq should accept the pertinent resolutions of the U.N. Security Council and respond to the mediation efforts of the Arab League and the call of the international community and immediately and unconditionally withdraw all its troops from Kuwait so that the independence, sovereignty and territorial integrity of Kuwait can be restored and peace and stability in the region can be restored as soon as possible," he said.

The Chinese Foreign minister said, "we maintain that a solution of the Gulf problem should be found by the Arab and Gulf countries themselves and we support the mediation by the U.N. secretary general. We do not want

to see big powers' military involvement in this region, which will make the settlement of the issue more complicated."

"We call on all parties concerned to exercise restraint and avoid using arms, so as to prevent further escalation of tension in the Gulf," he said.

On the question of Cambodia, Qian said, all parties concerned stand for a fair, reasonable and comprehensive settlement and the restoration of independence, sovereignty and peace and they have made various efforts and trials to this end.

"China is in favor of a role played by the United Nations on the Cambodia question. China supports the ASEAN to play a regional role on the question. We support the co-chairman of the Paris international conference on Cambodia in their efforts to convene a Jakarta meeting with the participation of the four parties so that an agreement on the political settlement of Cambodia question can be worked out on the basis of the two documents adopted by the five permanent members of the U.N. Security Council in their consultations, that a supreme national council (SNC) to be chaired by Prince Sihanouk and participated by all the Cambodian parties concerned be established as soon as possible to take Cambodia's seat at the United Nations and that conditions be created for the future general election. Prior to this, it is not desirable, to vacate Cambodia's seat at the United Nations."

Qian said, "China and Turkey have no conflict of interests and share identical or similar views and positions on many major international questions. Both being developing countries, China and Turkey are faced with the common task of pursuing economic reform and furthering economic development. To strengthen Sino-Turkish friendly relations and cooperation is in full conformity with the fundamental interests of the people of the two countries and is conducive to peace and stability of this region and the world as a whole. We are ready, together with our Turkish friends, to make efforts to advance Sino-Turkish friendly relations and cooperation to a new high."

The Turkish foreign minister expressed the belief that Qian's visit will mark a new phase in the close and friendly relations between the governments and peoples of China and Turkey and will be another milestone in developing cooperation between the two countries.

Bozer appreciated the steps China has taken in opening its economy to the outside world and in reforming its economic structure within a short time.

He said, "the trade volume and the level of economic cooperation do not reflect our friendly ties and the political will to develop them further."

The trade volume between the two countries only reached 170 million U.S. dollars in 1989, much lower than the target of 500 million dollars set in Beijing by the two countries in 1985.

He said that Iraq's invasion and annexation of Kuwait have violated the basic rules of international law as well as the principles governing relations between neighboring countries.

He expressed hope that the sovereignty and territorial integrity of Kuwait must be promptly and completely restored.

Turkey, complying with a U.N. resolution, decided on August 7 to cut off Iraq's twin pipelines carrying 1.5 million barrels of crude oil through Turkey per day, freeze all Iraq's assets in Turkey, ban all exports to Iraq and Kuwait and ban all transit transportation.

#### Article Discusses Future of German Army

HK0109072490 Beijing RENMIN RIBAO in Chinese  
22 Aug 90 p 6

["Roundup" by staff reporter Xu Hongzhi (6079 1347 3112): "How Should the Army of Democratic Germany Be Placed After German Reunification?"]

[Text] What should be done, after the two Germanys reunify, with their Army? This is another problem that has to be solved in the effort toward German reunification and it is still causing some argument in the military and political circles in both Germanys. The focus of the argument is the future of the National People's Army of the German Democratic Republic [GDR].

When they were in the capacity of two independent sovereign countries, the Federal Republic of Germany [FRG] and GDR each had an army. The overall strength of FRG's Federal Defense Forces is some 495,000. The National People's Army of the GDR has an establishment of 135,000, but according to what its National Defense Minister recently revealed, the actual strength is 98,000.

When visiting the Soviet Union, West German Chancellor Kohl reached an agreement with Soviet President Gorbachev, which set the ceiling for the post-reunification German Army strength at 370,000. Because the two Germanys will reunify with the GDR joining the FRG in accordance with the 23d Article of West Germany's Basic Law, which means the GDR will perish of itself after the reunification, the future of GDR's National People's Army has thus become a problem.

Roughly speaking, there are three opinions on this problem.

The first opinion belongs to Tertcheck [te er qi ke 3676 1422 1148 0344], West German foreign policy adviser to the Federal Chancellor. He advocates that when the GDR disappears from the political arena, its Army

should perish altogether and therefore the National People's Army should be disbanded by the end of this year. The bulk of its weaponry and equipment should be sold back to the Soviet Union and the remainder destroyed. Among the officers, the old ones may retire and the rest will have to seek other means of living by themselves. He argues that most of the 30,000 officers in the National People's Army are Communist Party members whose ideology and stand are not to be budged easily, so it is hard to imagine them training and commanding "our soldiers."

The second opinion holds that after reunification, the National People's Army should be retained as a local force in the eastern part of Germany responsible for protecting the territory. It does not belong to any military alliance and is subordinate only to the country's power organ. This should be the case at least during the transition period. The East German foreign minister once said that since the Soviet troops will stay in the East German area for three to four years after reunification, the National People's Army should be kept for at least three to four years. But the present situation indicates that this opinion will not meet ready acceptance.

The third opinion suggests a conditional merge, that is, merging the National People's Army into the Federal Defense Forces. Vaimer [wei mo er 4850 7817 1422], State Secretary of the West German Defense Ministry, was an advocate of this opinion. He said that according to the Constitution, the personnel of the National People's Army should not be discriminated against in the prospective reunified Germany. West German Defense Minister Stoltenberg also said that the Federal Defense Forces can be "replenished" with 50,000 soldiers from the National People's Army. But a report has it that, according to Bonn's plan, the assimilated East German soldiers will only be allowed to handle logistical affairs and communications in the eastern part of the country. This plan has aroused strong indignation among East German soldiers. Nicker [ni ke er 1441 0344 1422], chairman of the GDR Career Soldiers' Association said the East German soldiers should not be taken as "second-class soldiers." He also requested the FRG government to take 70,000 East German soldiers into the all-German Army and give them equal pay.

#### East Europe

##### Yugoslav Political Situation Viewed

HK0309083890 Beijing SHIJIE ZHISHI in Chinese  
No 15, 1 Aug 90 pp 15-17

[Article by Da Zhou (6671 3166): "Complicated and Confusing Political Situation in Yugoslavia"]

[Text] Since Josip Broz Tito, the "supreme commander" of Yugoslavia, died 10 years ago, many domestic problems have emerged in that country. Especially, nationality contradictions have become sharper and more open. The development of the international situation,



especially the violent changes in the situation of the East European countries since the second half of last year, have directly affected the political situation of Yugoslavia. For this reason, a series of complicated and confusing events have taken place there. All people who are showing concern for the developments in Yugoslavia are asking: Where will Yugoslavia go?

**The Most Obvious Problem in the Changing Political Situation of Yugoslavia Is: The League of Communists of Yugoslavia (LCY), Which Has Been in Power for 45 Years, Has Been Disintegrated in Reality Due to Its Internal Disputes.**

When talking about this question, we must start with the question of the multi-party system. The LCY is a political party with a glorious history of struggle. During the World War II, the bourgeois and petty bourgeois political parties in various parts of Yugoslavia had dismissed themselves, ceased activities, or even betrayed their country and defected to the enemy. The LCY alone held high the anti-fascist banner and called together and led the democratic and patriotic personages at various social strata to carry out four-years-long armed struggle. They finally drove the aggressors away and established the people's regime in 1945. The LCY then became the only party in power in Yugoslavia. This position of the LCY was never challenged. The Yugoslav Constitution adopted in 1974 clearly stipulates that the LCY is "an ideologically and politically organized leadership force" in Yugoslav society. However, since the second half of last year, the position of the LCY as the only party in power has been challenged. The appeal for adopting the multi-party system is becoming stronger and stronger with each passing day, especially in Slovenia and Croatia, the two most developed republics in Yugoslavia.

On this question, the LCY said at first that "political pluralism" could be adopted, but not the "pluralism of political parties." Later, as greater changes had taken place in other East European countries and in its domestic situation, the LCY said it could give up the "one-party monopoly." At the beginning of this year, in a proposal made by the current government on the revision of the Constitution, there was already the demand for practicing the multi-party system and abolishing the leadership role of the LCY in the current Constitution. On 20 March, the Yugoslav parliament adopted a law on the citizen's freedom of association, which stipulates that any group of people, not less than 30 persons, can organize a political organization provided they are not aimed at "changing the social order by violating the Constitution, undermining state security and defense, violating the human rights and citizen's rights that are guaranteed by the Constitution, stirring up nationality, religious, or racial hostility, engaging in criminal activities, jeopardizing environment or public health, and conducting activities to corrupt public morals." After that, all kinds of political parties with different trends and propositions emerged in Yugoslavia like bamboo shoots after a spring rain. By April, there

were already 130 registered and recognized political parties. Most of them had nonsocialist and nationalist colors. In Slovenia and Croatia, the political atmosphere was even more liberal. During the April and May elections, the opposition parties in these two areas merged into two organizations: The "Croatia Democratic Community" and the "Slovenia Democratic Democratic Opposition Party." In a competition with the local LCY in power, they finally won the election and established non-communist regimes in the two republics. Thus, the LCY organizations in Slovenia and Croatia became the first opposition parties in Yugoslavia.

While the trend of the multi-party system is developing in the political situation of Yugoslavia, since the second half of last year, unprecedented great differences and antagonism have also appeared within the LCY on a series of important questions, leading to the split in organization.

At the congresses held respectively by the LCY organizations in Slovenia and Croatia at the end of last year, many propositions were put forth, which were counter to all the previous propositions of the LCY. For example, they demanded to turn the LCY into an "independent alliance of the communist leagues of the republic," abolish democratic centralism, and substitute it with a principle of "consultative unanimity" or "democratic unity." They emphasized that the social foundation of the LCY will no longer be the working class but will be "all creators of material and spiritual wealth."

Under such a situation, the LCY held its 14th extraordinary congress on 20 January. When preparations were being made for the congress, there were great disputes within the party. The LCY made a concession toward the Slovenia and Croatia organizations on many questions when drafting documents for the congress. For example, it pointed out that "the time is over when the LCY is a vanguard political organization" and that "it is necessary to establish a social system that is characterized by democratic socialism."

However, on the third day of the congress, the delegates from Slovenia walked out of the meeting because a series of their amendments had been negated by the congress. The congress was forced to adjourn. On 23 January, the League of Communists of Slovenia held a central plenary meeting, announcing to "freeze" its relationship with the LCY. On 4 February, it held a congress, announcing that it would not perform any obligations with the LCY and would carry out activities as "an independent political organization." In other words, it would sever its organizational relations with the LCY. At the same time, the representatives of the League of Communists of Slovenia in the LCY Central Presidium would no longer attend the LCY meetings. The League of Communists of Slovenia also changed its name into the "League of Communists of Slovenia—the Democratic Rejuvenation Party." Later, it changed its name again and became "League of Communists of Slovenia—the Democratic Reform Party."



Following this change, the League of Communists of Croatia also changed its name into the "League of Communists of Croatia—the Democratic Transformation Party." It openly declared that "the LCY before the 14th National Congress no longer existed." Moreover, as there were also different views between Makedonija and Bosnia-Herzegovina, the LCY was even unable to hold a plenary session of the Central Committee, because the number of participants was lower than the quorum.

After four months' adjournment, the 14th National Congress was "continued" for one day on 26 May. Since the leading organs of the Leagues of Communists of Slovenia, Croatia, and Macedonia had announced in advance that they would not attend the meeting, only 65 percent of the delegates attended the meeting. According to a decision of the meeting, a "representative assembly" of the LCY on democratic program and rejuvenation" would be held on 29 September. But 10 days later, the League of Communists of Serbia decided to merge with the Socialist League of Serbia. The new party was named the Socialist Party of Serbia. On 16 July, the Socialist Party of Serbia held its inauguration meeting in Belgrade and adopted the new party program and new party constitution.

Thus, the LCY, a unified national political party which had been established for 71 years and had been in power for 45 years, was disintegrated in reality.

#### **Another Severe Problem Facing Yugoslavia Is: Can the Existing Federal System Be Maintained?**

It has not been a long time since Yugoslavia's reunification and the adoption of the federal system. Slovenia and Croatia were under the rule of the Austro-Hungary Empire for a long time. After World War I, they were unified with the Serbia Kingdom and Crnagora Dukedom. In 1918, the "Kingdom of the Serbian, Croatian, and Slovenian" was established, which chose Belgrade for the capital and King Alexander of Serbia as the King. In 1929, in order to strengthen his autocratic rule, King Alexander staged a coup and changed the name of his country into "the Kingdom of Yugoslavia."

During World War II, the people's armed struggle led by the LCY won the victory and abolished the monarchy. Since then, the federal system has been adopted. On 29 November 1945, the "Federal People's Republic of Yugoslavia" was established. Since 1963, it has been changed into the current name of "the Socialist Federal

Republic of Yugoslavia." The federal republic is formed by six republics and two autonomous provinces. Of them, the Republics of Slovenia and Croatia are comparatively more developed in economy and culture, and the people's standard of living is higher. With about one-third of the national population and land, the GNP and export volume of the two republics are making up more than 40 percent of the national total. For this reason, they always feel that it is not fair to them by adopting the federal system. They propose that a relatively relaxed confederation system is adopted in Yugoslavia.

The Slovenian parliament adopted an amendment to the Constitution last September, which clearly pointed out that Slovenia has "the right to separate from or merge with other republics." At the beginning of this year, it put forth some more proposals, including changing Yugoslavia into an economic community and allowing Slovenia to have its own army, which has the decision-making power, is commanded in the Slovenian language, and serves only within the boundary of the Slovenian republic. In his report on government administration, the new prime minister of Slovenia, (Luo Peiteerlai) [luo pei te er lai 3157 0160 3676 1422 5490], who came to power after the May election, reiterated the proposition on the practice of the confederation system. He even warned that if no agreement is reached on this matter, Slovenia may demand independence. The newly elected chairman of the presidium of the Croatia Republic, (Tujiman) [tu ji man 0956 1323 2581], also emphasized that Yugoslavia should change its federal system into a confederation system.

However, Serbia is taking an opposite stand. At the end of last month, President Milosevic of Serbia said: "To Serbia, the federal system is still a basic political choice for Yugoslavia." But recently, President Jovic of the Presidium of the federal republic, who is from Serbia, said that Serbia is not against the confederation system. It is reckoned that Crnagora and Serbia will take the same attitude toward the federal system. But Bosnia-Herzegovina and Macedonia have not yet made up their minds.

What will be the future of the Yugoslav political situation? Most observers feel it rather complicated and confusing. President Jovic of the Presidium of the Federal Republic said on 10 July that Yugoslavia will hold a nationwide vote in the near future so that the destiny of the state will be decided by the whole people.

## Political & Social

### NPC Standing Committee Meeting Continues

#### Members on Overseas Chinese Draft Law

OW0209000190 Beijing XINHUA Domestic Service  
in Chinese 1109 GMT 1 Sep 90

[Text] Beijing, 1 Sep (XINHUA)—The 15th meeting of the Standing Committee of the 7th National People's Congress (NPC) continued to hold panel discussions today. When deliberating the draft law on protecting the rights and interests of returned overseas Chinese and relatives of nationals living abroad, the members universally held that enacting this law is of great importance to uniting the vast numbers of returned overseas Chinese, relatives of nationals living abroad, and compatriots living abroad and giving play to their positive role in the great cause of developing the motherland and invigorating the Chinese nation. Some members of the Standing Committee noted that the revised draft is sounder than before. They proposed that it be adopted.

Some members of the Standing Committee pointed out that China has a fairly large number of compatriots living overseas. This situation can be attributed to historical reasons. In the past, overseas Chinese have been driven by their living conditions to go overseas to make a living. However, the overwhelming majority of them are patriotic. Since the founding of New China, the people's standard of living has improved and many overseas Chinese, being patriotic and still thinking of their roots, have returned to the motherland.

Some members of the Standing Committee held that the current draft law is better and applicable. It explicitly embodies China's consistent policy that "everyone will be treated equally without discrimination and everyone will be cared for in accordance with the special needs."

Some members of the Standing Committee pointed out that there are still many shortcomings with respect to the protection of the legitimate rights and interests of returned overseas Chinese and relatives of nationals living abroad; some problems remain unsolved with respect to the implementation of the policy on overseas Chinese. During the 10 years of the "Cultural Revolution," in particular, we often used politics as a means of drawing the line in dealing with overseas Chinese. Such ways of doing things exerted a very bad influence. It is therefore essential to enact a law effectively protecting the legitimate rights and interests of returned overseas Chinese and relatives of nationals living abroad.

Other participants in the meeting said that with the development of international trade, overseas Chinese are playing an increasingly growing role. They proposed that attention be paid to work in this respect and to the training of qualified personnel. There should be flexible regulations governing the return and departure to and from China of overseas Chinese. There should be freedom to come and go.

Participants in the meeting also made some suggestions on revising some specific legal provisions.

#### More on Overseas Chinese Law

OW0109122490 Beijing XINHUA in English  
1141 GMT 1 Sep 90

[Text] Beijing, September 1 (XINHUA)—Members of the Standing Committee of the National People's Congress (NPC) here today called for an early adoption of the draft law to protect the rights and interests of returned Overseas Chinese and relatives of nationals living abroad.

Such a law is essential to China, which has many nationals living abroad, said some participants to the NPC Standing Committee's on-going 15th meeting.

The draft law covers all the preferential treatment enjoyed by the returned Overseas Chinese and relatives of nationals living abroad, said member Ma Man Kei, president of the Chinese General Chamber of Commerce of Macao.

"It is concrete, detailed and explicit," Ma said. "But many concrete problems concerning returned Overseas Chinese and relatives of nationals living abroad will be solved after the adoption of the law," Ma said.

He added that the government should make better arrangements for returned Overseas Chinese and give support to the businesses they set up.

Many returned Overseas Chinese hope that restrictions on material they import should be relaxed, Ma said, adding that restrictions on the material aimed at benefiting the public should be relaxed.

Yang Haibo said as Overseas Chinese will play an increasingly important role in developing foreign trade, more flexible policies should be adopted to allow them to return to live and leave the country freely.

#### Zou Jiahua on Economic Conditions

OW0309163090 Beijing XINHUA in English  
1525 GMT 3 Sep 90

[Text] Beijing, Sep 3 (XINHUA)—State Councillor Zou Jiahua said today that China has gained good results in its efforts to straighten out the economy and deepen the reform, and its overall economic situation is getting better.

Zou, also minister in charge of the State Planning Commission, told the ongoing 15th Session of the Standing Committee of the Seventh National People's Congress that the political, economic and social development in China has been going smoothly.

In his report on the implementation of the 1990 national economic and social development program, Zou said

that the most difficult period in China's economic development is passing, although there still exist certain problems in economic development.

According to statistics, there has been a nationwide bumper harvest this summer, with the total grain output increased by six percent compared to 1989, and the total national industrial output value in the first seven months of this year amounted to 763.2 billion yuan, a 2.3 percent increase compared to the same period last year.

The number of unemployed has decreased gradually with the rebounding of production, though the investment in fixed assets maintained last year's level in terms of the amount of currency.

However, the real amount of the overall national investment in fixed assets decreased compared with that of last year due to the impact of price rises.

The investment in capital construction for production in the state-owned enterprises increased somewhat compared to last year. And the investment in energy production increased by nearly one quarter compared to last year.

Zou said that the overall retail prices in the first half of this year increased by three percent compared to the same period last year, which is the lowest since 1985.

Zou attributed the 47 billion yuan increase in bank deposits by urban and rural residents to the stable market, people's confidence and the attraction of value-preserving deposits.

He said that China has promoted its export and the overall situation of the foreign trade has been good thanks to foreign exchange rates and a comparatively good export environment since this year.

In addition, Zou said, international tourism, which slumped last year, has now started to recover.

However, he noted that there are still problems to be overcome:

Domestic markets are sluggish;  
There is a lack of circulation capital;  
enterprises still suffer from poor management and low efficiency; and  
the pace of adjustment of product structure is still too slow.

### International Labor Treaties

HK0209063890 Beijing XINHUA Domestic Service  
in Chinese 1106 GMT 30 Aug 90

["State Council Proposes Examination of Two International Labor Treaties; Ruan Chongwu Gives Explanations"—XINHUA headline]

[Text] Beijing, 30 Aug (XINHUA)—Premier Li Peng has proposed a bill to the 15th Session of the Seventh National People's Congress [NPC] Standing Committee on deliberating and ratifying the International Treaty on

Men and Women Enjoying Equal Pay for Equal Work, and the International Treaty on Promoting the Implementation of International Labor Standards through Tripartite Negotiation.

China is one of the founding members of the International Labor Organization [ILO] as well as one of the ILO Executive Council members. Since the PRC resumed its activities in the said organization, it has approved the International Treaty on the Professional Recovery and Employment of the Disabled in 1987, aside from recognizing the 14 international treaties which had been ratified by old China. Through deliberation, it is concluded that the International Treaty on Men and Women Enjoying Equal Pay for Equal Work and the International Treaty on Promoting Implementation of Labor Standards through Tripartite Negotiation fall in line with China's persistent policy and legal principle; the regulations in the two treaties are of positive significance, as Premier Li Peng stated in the bill.

The bill says, the Chinese Government has all along attached importance to the issue of men and women enjoying equal pay for equal work. Over the years, the central, and local governments at all levels have adopted various measures to guarantee the implementation of the principle of men and women enjoying equal pay for equal work. In participating in ILO activities, the negotiations between the government, enterprises, and deputies of workers' trade unions have been favorable to unfolding work in this arena at home. China now possesses the condition of approving the two international treaties. Therefore, the State Council proposes that China ratify the two said international treaties.

Entrusted by the State Council, Minister of Labor Ruan Chongwu gave explanations on the proposed bill to the the NPC Standing Committee today.

Ruan Chongwu stated, the International Treaty on Men and Women Enjoying Equal Pay for Equal Work was first adopted by the 14th session of the International Labor Conference in 1951. The said treaty made a general and principled stipulation on men and women enjoying equal pay for equal work. The treaty requires that countries ratifying it should implement, among all workers, men and women enjoying equal pay for equal work on reliance of state laws, decrees and methods of determining wages based on the specific conditions of their own countries.

The Treaty on Promoting the Implementation of International Labor Standards through Tripartite Negotiation was adopted at the 61st International Labor Conference in 1976. The said treaty aims to urge member countries to approve of other international labor treaties. The treaty stipulates that the countries ratifying it should set up a work procedure to conduct the formulation, approval, implementation, monitoring, and examination of international labor treaties, the negotiations between



the state government, employers, and deputies of workers' trade unions so that views of all sides may be fully expressed.

Ruan said that these two important international treaties were placed on top priority by the ILO for its member countries to consider for their ratification and implementation. By the end of 1987, 108 countries had approved of the International Treaty on Men and Women Enjoying Equal Pay for Equal Work, exceeding two-thirds of the total of ILO member countries; while 43 countries had ratified the International Treaty on Promoting the Implementation of International Labor Standards through Tripartite Negotiation.

In his explanations on the International Treaty on Men and Women Enjoying Equal Pay for Equal Work, Run Chongwu stated, since the PRC's founding, the CPC and Government have all along attached importance to, and showed concern for women's issue, especially the issue of men and women enjoying equal pay for equal work. The PRC Constitution and relevant laws have explicitly stipulated that women should enjoy equal rights to men in all arenas, and men and women enjoying equal pay for equal work must be implemented. In China's distribution system, the principle of men and women enjoying equal pay for equal work has been universally put into practice to date. Twenty-six provinces, autonomous regions, and municipalities have formulated local laws and decrees on men and women enjoying equal pay for equal work, while government departments at all levels have adopted various measures to guarantee this principle's implementation. That is the basic condition for China to ratify the said international treaty. Of course, the phenomena by which men and women do not enjoy equal pay for equal work, with discrimination against women, have not been totally wiped out in China. The ratification and implementation of the International Treaty on Men and Women Enjoying Equal Pay for Equal Work will be helpful to correct and resolve problems in this area.

Regarding the International Treaty on Promoting the Implementation of International Labor Standards through Tripartite Negotiation, Ruan Chongwu said, generally speaking, no knotty problems exist in China with regards to relevant ILO activities in conducting negotiations between the government, employers, and deputies of union organizations. Ours is a socialist country, the basic interests and goals of the government, enterprise organizations, and workers' trade union organizations are unanimous, and appropriate solutions to disputes on certain specific issues can be found through negotiations. In fact, relevant departments representing China's three sides in participation of ILO activities, namely the Ministry of Labor, Entrepreneurs' Association, and All-China Federation of Workers' Trade Unions have begun to set up and implement the internal negotiation system to exchange the state of affairs regularly or irregularly to harmonize their actions on relevant issues. The ratification of the "International Treaty on Promoting the Implementation of International Labor Standards through Tripartite Negotiation" will serve to

make explicit China's positive attitude toward this issue, and help to promote China's internal harmonizing work to become increasingly constant and institutionalized.

#### Report on Draft Railway Law

OW0209033190 Beijing XINHUA Domestic Service  
in Chinese 2327 GMT 30 Aug 90

[Text] Beijing, 31 Aug (XINHUA)—At the third full meeting of the 15th Session of the National People's Congress [NPC] Standing Committee held yesterday, Gu Ming, vice chairman of the NPC Law Committee, gave a report on the examination results of the Law Committee on the draft Railway Law.

Gu Ming said, the draft Railway Law had been examined at the 12th Session of the Seventh NPC Standing Committee. The Law Committee met on 13-14 and 16 July and again on 18 August 1990 to examine the draft, taking into account the views of Standing Committee members, members of the NPC Financial and Economic Affairs Committee, local authorities, and various quarters. The Law Committee maintained: For the sake of ensuring the normality of railway transportation and construction, safeguarding the order and safety in railway transportation, and keeping pace with socialist modernization and the needs of the people, the formulation of the Railway Law is essential. We suggest that the NPC Standing Committee examine and approve the draft. Meanwhile, we also propose the following changes:

1. The draft provides: "State railways must adopt a highly centralized transportation management system under which government administration and enterprise management are integrated and commands are centralized. The Ministry of Railways is the department under the State Council in charge of railways. It is in charge of state railways and has the authority to exercise central control over local railways, railways for special use, and special railway lines, rendering technical and professional guidance and supervision." Some members do not favor the phrase "government administration and enterprise management are integrated," maintaining that separating government administration from enterprise management is the prevailing trend in China's economic reform and that the provision must be scrupulously considered. But some members maintain that the phrase is essential in order to create a highly centralized railway transportation management system under a central command. The Law Committee maintains that the law will be more flexible if it does not stipulate the requirement that "government administration and enterprise management are integrated." Thus, it proposes that the article be changed to read: "The State Council's railway department is responsible for the nation's railway affairs, it manages a highly centralized transportation administrative system under a central command, and it provides guidance, coordination, and supervision to local railways, railways for special use, and special railway lines." "The establishment of state railway transportation enterprises shall be decided by the State Council railway

department. State railway transportation enterprises exercise their administrative responsibilities authorized by laws and administrative regulations."

2. Some members, local authorities, and departments pointed out that the draft has prescribed more obligations for passengers and consignors than obligations for railway departments, that rules are needed for dealing with many problems in this respect, and that relations between railway transport enterprises and passengers and consignors are civil relations between equal parties. This being the case, the law should have corresponding rules governing the rights and obligations of railway transport enterprises as well as for passengers and consignors so that railway transport enterprises may do their job properly according to rules, and so that the masses may supervise the work of railway transport enterprises. Thus, we propose that some rules governing the obligations for railway transport enterprises should be added to the chapter on "Railway Transport Enterprises" and expand the other relevant regulations in the draft.

a. If railway transport enterprises cause passengers to be unable to board the right train on the date printed on their tickets, the railway transport enterprises should, at the passenger's request, issue a full refund for the tickets or make arrangements for them to board another train that will reach the same destination.

b. Railway transport enterprises should deliver cargo, packages, and luggage to destinations in accordance with the contracted date or the deadline prescribed by the State Council department in charge of railways. If delivery is overdue, railway transport enterprises shall be liable for a penalty.

c. Railway transport enterprises shall strive to serve passengers, keep railway stations and cars clean and sanitary, supply boiled drinking water, and do a good job in providing food service on trains.

d. Ticket prices; freight charges for cargo, package, and luggage; and rates of miscellaneous passenger services and cargo transportation shall be publicized. No fees shall be charged for services which are not publicized.

e. From the time a consignment is accepted till it is delivered, railway transport enterprises shall be liable for all losses, shortages, deterioration, contamination, and damages; they shall pay compensation for the actual losses. If the delivery is insured, the maximum amount of compensation shall not exceed the insured amount; if the delivery is uninsured, the maximum amount of compensation shall not exceed the limits of compensation.

Furthermore, the Law Committee also proposes that the regulations governing the rights of railway transportation enterprises be reestablished: 1) Railway transport enterprises shall not be liable for compensation for the loss of cargo, packages, or luggage owing to force, to natural attributes or reasonable wear and tear on goods, or to

mistakes made by the consignors, consignees, or the passengers. 2) After the cargo, packages, and luggage reach their destinations, the consignees or the passengers shall, in accordance with regulations set by the State Council department in charge of railways, pick them up on time and pay the freight costs or other fees not paid or underpaid by the consignors; if pickup occurs after a prescribed period, a storage fee will be due. Regulations have also been set for the handling of unclaimed cargo, packages, or luggage.

3. Some local authorities and enterprises point out that, while the draft has prescribed authority for approving rates for railway freight and rates for passenger tickets, it has yet to decide which department is authorized to itemize chargeable miscellaneous services and set their rates. Today, passengers and consignors resent relatively serious problems caused when some stations and railway sections have overcharged for miscellaneous freight or have even recklessly prescribed chargeable services. They hope the Ministry of Railways will centralize the management of miscellaneous freight. Thus, we suggest this addition to the draft: The State Council department in charge of railways shall draw up regulations itemizing miscellaneous services and their rates for passenger and cargo transportation on state railways.

4. Some members, local authorities, and departments point out that, although the chapter on "Railway Safety and Protection" has some regulations for safeguarding railway order and security and ensuring railway safety, additional regulations should be drawn up to deal with many other problems. Railway accidents happen quite often today, and problems concerning railway transportation order and security are also serious. Thus, we suggest that the following regulations be added to this chapter:

a. "The erection of power or telecommunications cables above railways, the planting of cables and pipelines under railways, and the digging of tunnels through railway roadbeds must have the consent of railway transportation enterprises; safety and protective measures shall be taken."

b. "Buildings and trees which obstruct visibility in train operations shall not be constructed or planted along the inner curves of railroad tracks or near level-crossings or sidewalks. For those existing buildings which obstruct visibility, the county or higher-level people's governments shall set a deadline for their dismantling. For trees that obstruct visibility, the county or higher-level people's government shall set a deadline for relevant units or individuals to relocate or trim them or have them cut down."

c. "Railway workers have the authority to stop people who destroy or move railway signals or other railway facilities, or place obstacles on railroad tracks. They may turn these people over to public security organs for handling."

d. Railway workers have the right to stop people who sneak onto freight cars for a free ride, jump onto moving

trains, smash train cars, walk or lie down on railroad tracks, or leave sheep or cattle grazing in areas within 20 meters of the tracks or in shelterbelts along the tracks.

e. "Railway staff and workers have the authority to stop the gathering of people to halt trains or storm railway operations departments. If the people continue to disobey, responsible public security personnel on the spot have the authority to order them to disperse. If they refuse to disperse, responsible public security personnel on the spot have the authority to decide on necessary steps in accordance with relevant state rules to force them to disperse and bring them away or take into custody those who refuse to obey the order."

f. "Railway staff and workers have the authority to stop the looting of railway cargo and may turn looters over to public security organs for action. Public security personnel on the spot may take looters into custody."

g. "With regard to those who cause trouble, disrupt public order, and endanger the personal or property safety of passengers, railway staff and workers have the authority to stop them, and railway security personnel may take them into custody."

5. Some members, local authorities, departments, and law experts said that certain articles and clauses in the draft are rather vague in defining legal responsibilities and that there should be specific provisions on how to punish offenders for their criminal acts. Accordingly, they suggested that the following provisions be added.

a. "Whoever violates this law by bringing dangerous materials into the railway station or onto the train or by consigning dangerous materials for transport by railway, resulting in major incidents, shall be criminally liable in accordance with Article 115 of the Criminal Law. If the violator of this clause is an enterprise, an institution, a state organ, or a social group, a fine shall be imposed on it, and the person in charge and those directly responsible for the violation shall be criminally liable." "Those who bring explosives or detonators or illegally carry guns and ammunition or knives, or other such controlled items, into the railway station or onto the train shall be criminally liable by applying *mutatis mutandis* Article 163 of the Criminal Law."

b. "Whoever willfully damages or removes signal equipment for railway operations or places obstacles on the railway in a manner sufficient to cause the overturning of trains shall be criminally liable in accordance with Article 108 of the Criminal Law if no serious consequences resulted and in accordance with Article 110 if serious consequences did result."

c. "Whoever steals parts or accessories of train-operating equipment or other materials along railways, thus threatening the safety of railway operations shall be criminally liable in accordance with the provision on sabotage of transportation installations contained in Article 108 of the Criminal Law, if serious consequences resulted, and

in accordance with the provision on sabotage of transportation installations contained in Article 110 of the Criminal Law if serious consequences did result."

d. "As for those who gather people to halt trains and refuse to take advice to stop doing so, ringleaders and backbone elements shall be criminally liable in accordance with Article 159 of the Criminal Law." "As for those who gather people to storm railway operations departments and refuse to take the advice to stop doing so, ringleaders and backbone elements shall be criminally liable in accordance with Article 158 of the Criminal Law."

e. "As for those who loot railway cargo, ringleaders and backbone elements shall be criminally liable in accordance with Article 150 of the Criminal Law." "Railway staff and workers who commit the crimes specified in the preceding clause in collaboration with others shall be given heavy punishment."

f. "Whoever loots passengers' property and injures passengers on the train shall be given heavy punishment in accordance with relevant provisions of the Criminal Law." "Whoever makes trouble or insults women shall be criminally liable in accordance with Article 160 of the Criminal Law, when the case is especially odious. Whoever blackmails and extorts money or other things from passengers shall be criminally liable in accordance with Article 154 of the Criminal Law."

g. "Whoever buys and resells a fairly big amount of tickets shall be criminally liable in accordance with Article 117 of the Criminal Law. Those who buy and resell tickets as a regular profession, who buy and resell a large amount of passenger tickets, and who are ringleaders of such buying and reselling groups shall be criminally liable in accordance with Article 118 of the Criminal Law. Railway staff and workers buying and reselling tickets or collaborating with others to do so shall be criminally liable in accordance with Article 119 of the Criminal Law."

h. Whoever violates the provisions of this law by "taking possession of or embezzling and privately dividing" extra transportation charges "shall be criminally liable in accordance with the provisions contained in Article 1 and Article 2 of the Supplementary Regulations on Punishment of Crimes of Embezzlement and Bribery."

6. The draft also contains provisions in principle on such questions as the methods of investment in railway construction. Some members pointed out that the present railway construction work cannot meet the needs of socialist construction, and that the state should increase investment in railway construction while simultaneously encouraging such investment through diverse channels. However, they added that such a question may not be included in this law and suggested that the related provisions be deleted.



**Song Jian on Scientific Reforms**

OW0309190690 Beijing XINHUA in English  
1741 GMT 3 Sep 90

[Text] Beijing, September 3 (XINHUA)—Song Jian, state councillor and minister in charge of the State Science and Technology Commission, said here today that China's reform of science and technology in the past five years has been basically successful.

Song made the remarks in a report to the ongoing 15th meeting of the Standing Committee of the Seventh National People's Congress.

Song said that China's scientific and technological work has been geared to economic construction, the goal of quadrupling the gross national production by the end of this century and high-tech research, basic research and their application.

In the past five years, he said, China opened technological markets, improved the allocation of scientific funds, relaxed the restriction on the management of scientific and technological organizations and personnel.

Song said that the concept of commercializing scientific and technological results has already prevailed and the technological market is developing smoothly. These represent breakthroughs theoretically and practically.

According to statistics, the value of national technological transactions totalled 8.14 billion yuan last year, as compared with 72 million yuan in 1984.

By the end of last year, scientific institutions and universities and colleges set up more than 3,500 enterprises to develop science and technology.

Song said, these achievements all resulted in an integration of science and economy.

Among more than 12,000 large and medium-sized enterprises in the country at present, more than 8,000 have had their own scientific research organizations and nearly 2,000 have set up the funds for technological development.

Song said, the structural reform of science and technology has made decision-making process of governments at all levels more scientific and more democratic.

**Song Jian on High-Tech Growth**

OW0309150390 Beijing XINHUA in English  
1427 GMT 3 Sep 90

[Text] Beijing, September 3 (XINHUA)—China's high-tech research and high-tech industry have achieved great progress in the past three years and reached the advanced world standard, said Song Jian, state councillor and minister in charge of the State Science and Technology Commission, here today.

The state councillor made this report to the Standing Committee of the National People's Congress, the country's highest legislative body.

Song said that China has already designated as its important strategic goal to keep up with the development of international high-tech research and high-tech industry.

For this, he said, the State Council has launched two campaigns since 1988.

In one of the campaigns, China has selected seven fields—including biology, astronomy, energy, new materials and sophisticated defense—and has also designated 15 themes.

It is learned that more than 10,000 scientists have made contributions to this campaign.

As for the other campaign, which is guided by the domestic and world markets with large and medium-sized enterprises, universities and institutes as its major force, China had invested a total of 2.87 billion yuan by the end of last year.

It is learned that since the State Council approved the establishment of the Beijing High-Tech Experimental Zone in 1988, more than 30 cities across the country have set up their own zones.

**Song Urges Scientific Inputs**

OW0309142990 Beijing XINHUA in English  
1412 GMT 3 Sep 90

[Text] Beijing, September 3 (XINHUA)—A senior Chinese official called on the Standing Committee of the National People's Congress (NPC), China's highest legislative body, here today to increase scientific input and speed up scientific and technological legislation so as to guarantee the smooth development of the country's science and technology.

State Councillor and Minister in Charge of the State Science and Technology Commission Song Jian made this request here today.

Song remarked that the inadequate scientific input, especially that for turning scientific research achievements into production, and unreasonable structure are matters of concern.

As for scientific and technological legislation, Song noted that although a dozen important laws, including the patent law and technological contract law, and more than 30 regulations have been drawn up so far in China, they still can't meet the demands of the country's scientific development.



**Song on Foreign Science Exchange**

OW0309231790 Beijing XINHUA in English  
1432 GMT 3 Sep 90

[Text] Beijing, September 3 (XINHUA)—State Councilor Song Jian said that China will continue carrying out its all-round open policy to promote technical and scientific co-operation and exchanges with foreign countries through various channels.

Speaking at the 15th meeting of the Standing Committee of the Seventh National People's Congress here today, Song said that co-operation and exchanges with foreign countries in science and technology over the past decade has speeded up China's scientific development and modernization.

In scientific and technological fields, Song said, China has signed agreements with 57 countries, established co-operative relations with 108 countries and regions and became a member of more than 30 scientific and technological organizations under the United Nations since 1979.

Song, also minister in charge of the State Science and Technology Commission, said China's scientific and technological bodies have participated in more than 280 international academic organizations. The Chinese Academy of Sciences has signed agreements on co-operation with its counterparts in more than 50 countries and regions.

Meanwhile, he said, the China Association for Science and Technology has sent representatives to 39 organizations of the International Federation of Science and Technology, and the State Nature Science Foundation has started co-operation with 12 of its foreign counterparts.

Meanwhile, China has established sister-city relations with 340 foreign cities, with one third of them based on scientific and technological co-operation, he said.

The state councilor said the Chinese Government started more than 10,000 scientific and technological projects with foreign countries in 1989, ten times the figure for 1978.

He said that scientific and technological co-operation with foreign countries has helped China train a great number of scientists, technicians and administrators, introduce advanced technology and management, achieved a series of research results and improved scientific facilities.

He described the successful launching of a U.S.-made satellite by the China-made rocket carrier "Long March 3" as marking the debut of Chinese rocket carriers in the international market.

He said China has great potential for the export of technology to foreign countries—Third World countries in particular—in national defense, geology and mining, meteorology, agriculture, animal husbandry and fisheries.

He said that China will continue to develop bilateral or multilateral scientific and technological co-operation with foreign countries.

He added that China will adopt measures to protect intellectual property rights in connection with scientific and technological co-operation and improve the environment for international co-operation, to further promote China's opening to the outside world in these fields.

**'Sources' Claim Zhao To Be Partly Cleared**

HK0409005390 Hong Kong SOUTH CHINA  
MORNING POST in English 4 Sep 90 pp 1, 10

[By Willy Wo-lap Lam]

[Text] Ousted Chinese Communist Party chief Mr Zhao Ziyang will be partly cleared at the seventh plenum of the party's Central Committee, set to convene in late October or early November.

The plenum will ratify the conclusions and recommendations of a party committee which, since June last year, has been investigating Mr Zhao's "mistakes", including his alleged involvement in the "counter-revolutionary rebellion" or pro-democracy movement, sources said.

The investigation committee, headed by party elder Mr Wang Renzhong and supervised by Politburo member Mr Song Ping, concluded that there were no links between Mr Zhao and the student leaders or other "black hands" behind the democracy crusade, the sources said.

Nor had the committee found evidence of efforts by Mr Zhao to topple the party's rule.

It recommended that Mr Zhao, who has been stripped of his Central Committee membership, be allowed to remain an ordinary party member.

Analysts said the seventh plenum would probably rescind part of the verdict on Mr Zhao handed down by the fourth plenum in late June last year; that the disgraced party chief was guilty of "splitting the party" and abetting the pro-democracy activists.

However, it was unlikely that the reputation of Mr Zhao, 71, would be fully rehabilitated, the sources said.

He would probably be stuck with the "mistake" of failing properly to handle the student movement and failing to "contain the tide of bourgeois liberalisation", they said.

The former party leader would also be blamed for the "misdemeanours" of his underlings, including former political secretary Mr Bao Tong and the head of the Research Institute for the Reform of the Economic Structure, Mr Chen Yizi.

Mr Bao is still detained for "crimes" including leaking state secrets to students. And Mr Chen, who fled China soon after the Tiananmen Square crackdown, is a senior member of the exile organisation, the Paris-based Federation for a Democratic China.

Chinese sources said it was unlikely that the results of the investigations would be publicised in full.

The relatively benign treatment accorded Mr Zhao is due to the influence of his former mentor, senior leader Mr Deng Xiaoping, and that of liberal leaders like Politburo member Mr Li Ruihuan.

Mr Deng had recently met Mr Zhao to consult him on the Eighth Five-Year Plan (1991-95), which will be a central topic of the seventh plenum, diplomatic sources in Beijing said.

This was the second time Mr Deng had met his former protege this year. In a meeting in the spring, Mr Zhao gave Mr Deng an account of his activities in the spring of 1989 and the patriarch was reportedly satisfied with his protestations of innocence.

Mr Li Ruihuan, who has emerged as a leader of the liberal faction, has also been a keen supporter of Mr Zhao's limited rehabilitation.

In a recent comment on Mr Zhao, Mr Li said: "It is in the tradition of the party to be strict in investigating (the alleged mistakes) of its members but lenient in making conclusions."

The Central Committee still has a large contingent of members who owe their appointment either to Mr Zhao or to the late reformist leader, Mr Hu Yaobang.

A handful of liberal cadres were in favour of having Mr Zhao return to public life in some capacity, sources said. A senior position on the Central Committee's Leading Group on Finance and Economics has been mentioned as a possibility.

However, given the opposition of the party's powerful leftist faction, the chances of Mr Zhao's resuming an official position were slim, the sources said.

Meanwhile, the political fortunes of Mr Hu Qili, the member of the Politburo standing committee who fell from grace together with Mr Zhao, have also been rising.

While it is very unlikely that Mr Hu, 61, who used to be in charge of ideology and propaganda, will be reappointed to a party or government post, he has recently been active in giving advice to Mr Li, who has inherited Mr Hu's portfolio.

"Both Mr Hu and Mr Li are former mayors of Tianjin," said a source. "They are close friends, and Mr Hu has been giving Mr Li advice on how to counter efforts by the leftist ideologues to impose a Marxist straitjacket on the media."

### Article Describes Cadre Rotation System

HK0309142190 Beijing GUANGMING RIBAO  
in Chinese 10 Aug 90 p 3

[Article by Lu Chuanzan (0712 0278 6363), Hebei Provincial CPC Committee deputy secretary: "Cadre Rotations Are an Important Way To Train and Temper Cadres"]

[Text] The party central leadership's decision to regularly change cadres' work posts was a major measure in advancing reform of the cadre system. Through reviewing Hebei Province's practice in exchanging cadres in recent years, we more deeply realize the great significance of the central decision.

#### I.

In the administrative structural reform and the reorganization of leading bodies which began in 1983, Hebei Province transferred some party and government leading cadres at or above the county level from one locality to another and this achieved good results. So far, more than 800 county-level leading cadres have been transferred from one locality to another. The work of cadre exchanges has basically become regularized in this province and has achieved marked results. Many cadres made remarkable achievements in their work after being transferred to new posts. For example, after a county party committee secretary was transferred to a position in another prefecture, he took advantage of being free from the shackles of personal relations, united leading members of the county committee, handled a number of cases left from the past, straightened out public order, formulated an economic development program, strengthened the development of spiritual civilization, and brought about marked improvements in the appearance of this county. The work in many fields in this county is in an advanced position in the province and that county party secretary was elected one of the outstanding party workers commended by the provincial party committee on 1 July this year. Cadre rotations also enhanced the ability of individual cadres and the collective effectiveness of leading bodies. In Hebei Province, cadres are rotated horizontally from one locality to another and also vertically from a leading organ to a grass-roots post. The two types of cadre rotation can help leading cadres overcome shortcomings caused by long tenure of work in the same post and locality. Through regular rotations, cadres can increase their experience by being tempered in a broader way and can enhance their leadership and competence. Practice shows that this is not only necessary but it is also feasible to regularly rotate cadres from one post to another.

#### II.

Training and tempering cadres by means of practice is a basic point of our party's experience in of managing and using cadres. In the war years, many cadres grew up with struggle. "Learning warfare by fighting in war" was the

motto to encourage them to consciously temper themselves. At present, many cadres have received regular training in school and acquired a higher level of education and professional skills. However, they still lack practical experience in a broad scope and still need to make up this important lesson.

Participating in real-life practice is of greater importance for middle-level and senior leading cadres. Comrade Song Ping pointed out: "The growth of a person, especially a leading cadre, needs tempering in many aspects. Revolutionaries of the older generation all worked at many different posts. Some of them had experience doing underground work, military work, cultural work, economic work, party work, and united front work, and were tempered in many aspects. Therefore, revolutionaries of the older generation were all talented statesmen with rich experience and some were also great military strategists. Chairman Mao, Premier Zhou, Comrade Shaoqi, and Comrade Zhu De were models." In peacetime, only through regular rotations in cadres' posts and participation in real-life practice can our cadres enhance their political quality, keep a firm proletarian position, increase their organization and leadership ability in all fields, attain superb leadership, and shoulder the heavy historical mission.

The cadre rotation system is in line with the regularity in cultivating talented leaders. Cadre rotations provide a favorable means for the growth and maturity of leading cadres. Job rotations include those between leading organs and grass-roots units, between different posts, between an advanced area and a backward area, and between different trades. This opens a broad range in which cadres can increase their work experience and ability. Many leading cadres in our province have successfully tempered themselves and enhanced their work ability through job rotations. According to statistics in Xingtai and Hengshui Prefectures, of 176 cadres who were transferred to new posts since 1987, 73 were promoted, accounting for 41.5 percent of cadres involved in job rotations. From their personal experiences, these cadres deeply felt that changing their jobs was an important measure for raising the quality of the cadres and an important link for tempering and improving cadres and ensuring their healthy growth. So, this is not a window-dressing measure. Still less is it a way to punish cadres.

Job rotations also provide a means by which to temper and test cadres in peacetime. At present, most leading cadres at the prefectural and county level in Hebei joined the party and began their work after liberation, and they did not undergo the test of fighting in the revolutionary wars. Some comrades give too much consideration to their individual or family interests. They lack a strong sense of discipline and the spirit of hard work and plain living. Job rotations will provide an opportunity for them to increase their work experience, improve their ability to handle all kinds of complicated issues, form close ties with the masses, carry out in-depth investigations and studies, and cultivate the work style of being

eager to learn and study new issues. At the same time, job rotations also pose a stern test for them. Job rotations mean that their duties and work posts will be changed. Some temporary inconveniences will thus be brought to the family life of some cadres. As a party cadre, one should abide by party discipline in an exemplary manner, gladly obey the job assignment of the party, and subject everything in one's life to the needs of the revolutionary cause. Whether a leading cadre can do this or gives more consideration to his personal and family interests and set a various unreasonable demands on the party is, in fact, a test of a cadre's party spirit. In recent years, nearly 10,000 leading cadres at or above the township level accepted job rotations and the majority of them passed this test.

### III.

To implement the central decision and properly arrange job rotations for leading cadres, we should currently pay attention to the following points:

First, we should really take this as a measure for tempering and cultivating cadres in our practice and theory. Job rotations must be distinguished from reassigning incompetent cadres. Propaganda should be used to create a social environment in which people think that being transferred to a new post is an honor so that cadre job rotations will be understood and supported by all people in society, including the relatives of the cadres concerned.

Second, not only should ideological education be given to cadres assigned to new posts, but assistance should also be given them in solving their problems. Some cadres are used to a stable and comfortable life and want to live with their families because they have been working in peacetime for a long time. This is a major obstacle to the smooth implementation of job rotations. Some cadres think that job rotations will disrupt their lives and some cadres refuse to accept new job assignments for reasons of housing and children's schooling. It is therefore necessary to strengthen ideological education for cadres in various forms and make cadres understand that they should first give consideration to the party's cause and the interests of the masses. After cadres are transferred to other units and localities, local party committees should show concern for the lives of their families. In particular, the party organizations concerned must help cadres being transferred to other units and localities solve problems in their daily lives and work and thus ensure that they can work with ease and concentrate on fulfilling the tasks assigned to them by the party and the people.

Third, it is necessary to properly handle the following several relationships. The work of arranging cadre rotations should be closely coordinated with the central link of strengthening the construction of leading bodies. On the one hand, the system of regular job rotations should be seriously and consistently implemented; on the other hand, various contradictions and problems appearing in



job rotations must be properly solved. The regulations on job rotations should be carried out in a realistic way. Some concrete stipulations can be added in order to ensure the smooth implementation of job rotations. While assigning job rotations, we should also maintain the relative stability of the leading bodies in various units and localities. The tenure of a leading cadre in a locality should normally last two terms, and normally, no job change should be made in this period. According to the practice in various localities in Hebei, the number of cadres being transferred to a new post at the same time should not exceed one-third of the total members of the leading body. While job rotations are made, efforts should also be made to improve the organizational structure of leading bodies. The vertical, horizontal, and locality-to-locality rotations should be based on careful analysis and study of the qualitative set-up of each leading body. That is, the professional background and age structure of each leading body should be kept even. Special attention should be paid to the use of each person's specialization and personality in the leading body. Rotations should be made in a reasonable way so that the leading body as a whole, and each individual in the leading body, can achieve the best work results and perform their duties most efficiently.

#### **Yao Yilin on Administrative Procedures Law**

OW0309050090 Beijing XINHUA Domestic Service  
in Chinese 1246 GMT 1 Sep 90

[By reporter Sun Benyao]

[Text] Beijing, 1 Sep (XINHUA)—The State Council held a telephone conference this evening in Beijing on the implementation of the administrative procedures law. Yao Yilin, vice premier of the State Council, addressed the conference, saying that leaders of all levels of governments and all departments should pay great attention to the implementation of the administrative procedures law.

Yao Yilin said: As an important event in strengthening our country's legal system, the enactment and implementation of the administrative procedures law has placed a new and still higher demand on the government's work. Earnest implementation of the administrative procedures law is of great importance to protecting the legitimate rights and interests of citizens, legal personnel, and organizations, ensuring and encouraging the performance of functions by administrative organs according to law, strengthening the development of an honest and clean government, and raising the efficiency of administration.

He said: Our government is a people's government, and our government personnel are public servants of the people. To serve the people is our fundamental goal. To achieve this goal and better exercise our administrative functions and power, we should constantly improve our work and welcome and accept supervision by all circles, including judicial supervision. For this reason, leading comrades of the people's governments at all levels and all

departments must have a deep understanding of the vital significance of enacting and implementing the administrative procedures law and take earnest implementation of this law as a truly important duty of administrative organs.

Yao Yilin added: Only a month is left before the administrative procedures law goes into effect. To successfully implement this important law, the State Council requests that after this conference, governments at all levels and all departments make a special study of the work of their respective localities and departments with respect to the government's legal system and check preparations they have made for the implementation of the administrative procedures law in accordance with guidelines set at this conference. If anything improper is found, he said, it is necessary to take effective measures as soon as possible to solve the problem in a serious manner.

Yao Yilin pointed out that all levels of governments and all departments should attach great importance to work on the government's legal system.

He said: The implementation of the administrative procedures law requires further efforts to strengthen work on the government's legal system. Since the 3d Plenary Session of the 11th CPC Central Committee, Comrade Deng Xiaoping on many occasions has emphasized the need to strengthen the legal system. He has pointed out that we must do two things in working for the four modernizations; "that is, we must promote construction on the one hand and build up the legal system on the other." Among all fields of government work, Comrade Li Peng attaches great importance to work on the government's legal system. He has pointed out that government work should be standardized, institutionalized, and legalized, thus revealing in depth the importance of work on the government's legal system among all government tasks. We must earnestly study this and deeply understand its significance.

Yao Yilin said: Work on the government's legal system is an important foundation for government work as a whole. Government work is heavy because it involves politics, the economy, and all aspects of social activities. For this reason, one of the tasks of the administrators of a modern country is to sum up experiences and lessons, bring concrete methods used to solve the same kind of issues into a common code of conduct, and implement it to the letter. This is the only way to improve government work efficiency radically. Also, only when there is a law to follow in doing government work can we effectively ensure the continuity and stability of basic party and state policies so that they will not be altered by changes in leaders or their views and objectives. As can be seen, as far as the main aspects of China's political, economic, and social activities are concerned, we should see to it that there are laws to follow, that laws enacted are observed and enforced strictly, and that offenders of the law are brought to justice. He said: To achieve the

objectives of improving the economic environment, rectifying the economic order, and deepening reform, we must also strengthen work in the government's legal system. Improving the economic environment and rectifying the economic order will affect the distribution of interests to various sides. The process of reform and opening to the outside world will inevitably encounter resistance from old systems, concepts, and habits. The task before us is arduous and complicated, whether it involves improving the economic environment, rectifying the economic order, conducting reform, or opening up to the outside world. But legal measures can establish a new societal standard to help us accomplish this task. In the ongoing drive to improve the economic environment, rectify the economic order, and further carry out reform, we have emphasized the application of comprehensive measures, including economic, administrative, and legal measures. Whether we are applying economic or administrative measures, we should standardize and legalize them as much as possible and use legal measures to coordinate with and condition them, if at all possible, so as to reduce subjective arbitrariness in the drive to improve the economic environment, rectify the economic order, and advance reform. It follows that in carrying out this drive, we inevitably need to step up work on the government's legal system.

In his speech, Yao Yilin expressed the belief that with the implementation of the administrative procedures law, governments at all levels in the country will attain a much higher standard in administering according to the law. He also said that under the new circumstances, work on the government's legal system in our country would certainly play a greater role in strengthening state administration and furthering the nation's political, economic, and social development.

Also speaking at the telephone conference was Luo Gan, secretary general of the State Council. He said: Since the administrative procedures law was promulgated, especially after the promulgation of the State Council's No. 2 Document of this year, a great deal of preparatory work for the implementation of the law has been done by various departments of the State Council and the local people's governments at various levels. Most departments and localities have held training classes at various levels, which are on different scales and take a variety of forms. A number of leading comrades of departments under the State Council and the people's governments in various localities have devoted some time to studying the administrative procedures law. Some departments with important law-enforcement duties have held their own work meetings to study the implementation of the administrative procedures law. Many provincial, regional, and municipal people's governments have adopted decisions on implementing the administrative procedures law. Many departments and localities have earnestly examined their present regulations and specific administrative procedures. Some departments and localities have established re-examination organs. They have assigned personnel to do re-examination work and

accept petitions and are now busy training these personnel. This fully illustrates the fact that all departments and localities are paying great attention and taking a serious and positive attitude toward the implementation of the administrative procedures law. Nationwide, however, the development of this work has been uneven, and there are still a number of problems. Solving these problems in earnest and furthering work in implementing the administrative procedures law are major tasks for all departments and levels of governments.

Luo Gan made several suggestions on how to do a good job in implementing the administrative procedures law. He said: It is necessary to enhance understanding of the great importance of implementing the administrative procedures law and increase awareness of the need to do so successfully. All State Council departments and levels of people's governments should make earnest and positive efforts to implement the administrative procedures law. They should not only adopt a serious attitude toward this matter, improve their administrative work and standard of administration according to law, but also energetically fulfill their legitimate duties, improve administrative efficiency, and ensure strict enforcement of laws and regulations. To further enhance understanding of the importance of the administrative procedures law, it is especially necessary for leading comrades at all levels to uphold the idea that administrative work should be based on law, that power is inevitably accompanied by obligation, and that the exercise of power is subject to supervision. They should change the practice of using one's words in place of law. Moreover, they should properly deal with the relationship between acting according to the law and improving administrative efficiency.

Luo Gan said: More attention should be paid to supplementary legislation for the administrative procedures law. This is aimed at providing the necessary legal basis for various administrative activities. For this purpose, the State Council will draft some laws and administrative regulations to supplement the administrative procedures law. All departments concerned under the State Council are requested to step up work in this respect. In departments undertaking the concrete work of drafting laws and administrative regulations, leading comrades should personally handle this matter and see to it that necessary personnel and funds are available in order to guarantee completion of the work as required. The people's governments in various localities should energetically draft and implement local laws and regulations to suit actual local conditions and meet the needs of their administrative work. Moreover, to ensure implementation of such laws and regulations in order to provide a clear-cut standard for administrative work, all departments and localities should complete the drafting and enactment of measures or detailed rules for the implementation of these laws and regulations as soon as possible.

Luo Gan pointed out the need for strict law enforcement in administrative work and for raising standards of

administration according to law. He said: Law enforcement in administrative work is a major duty of administrative organs and a principal aspect of administrative acts subject to judicial supervision. All State Council departments and levels of local people's governments should regard the strict enforcement of law in administrative work as urgent. They should place this high on their agenda and take effective measures to improve law enforcement. To strictly enforce the law in doing administrative work, it is imperative that we strengthen supervision and examination. At the same time, more attention should be paid to setting up a work system suitable to the enforcement of law in administrative work. It is also necessary to make earnest efforts to coordinate the work in this regard.

Luo Gan asked all departments and localities to earnestly examine preparatory work before implementation of the administrative procedure law and strengthen their leadership in order to ensure successful work on the government's legal system. He said: To earnestly implement the administrative procedure law, we must strengthen work on the government's legal system. The key to successful work on the government's legal system is strengthened leadership over this work. Leading comrades of all departments under the State Council and all levels of local people's government should view strengthening the work on the government's legal system as a major measure for achieving better results in improving the economic environment and rectifying the economic order, in promoting and ensuring the smooth progress of reform and opening up to the outside world, and attaining the goal of good government and long-term stability in China. They should pay great attention to it and make an earnest effort to do a firm and good job.

Sun Wanzhong, director of the Bureau of Legal Affairs under the State Council, addressed the telephone conference, dwelling on the issues of advancing propaganda work on the administrative procedure law, training cadres to implement the law, stepping up the screening of current regulations and specific administrative acts, doing an earnest job in re-examining administrative work and in accepting petitions, constantly summing up experience, and perfecting the system.

Among those attending the conference were Wang Hanbin, vice chairman of the Standing Committee of the National People's Congress [NPC]; Song Jian and Chen Junsheng, state councillors; and Ren Jianxin, president of the Supreme People's Court; and other leading comrades. Also present were officials from relevant departments of the State Council, Supreme People's Court, Supreme People's Procuratorate, Legislative Affairs Commission of the NPC Standing Committee, Legislative Bureau of the Central Military Commission, and the people's governments of various provinces, autonomous regions, municipalities, and cities with independent economic decision-making authority.

### Document Shows Support for Jiang Zemin

HK0309120490 Hong Kong CHENG MING in Chinese No 155, 1 Sep 90, pp 8-9

["Notes on the Northern Journey" by Lo Ping (5012 0393): "Top Secret Document: Deng Never Tolerates Any Opposition to Jiang"]

[Text] Deng Xiaoping Cited Jiang Zemin's Three "Strong Points" Jiang Zemin is backed up by a large tree. So long as the tree does not fall, Jiang will not fall either.

Recently, an official document was circulated among the senior cadres at and above the ministerial level, and it showed that Deng Xiaoping was bent on creating a new power structure with Jiang Zemin as the center and he did not allow other senior party leaders and political forces to shake or topple his arrangement.

The document was entitled "Excerpts of Central Leaders' Important Speeches in the Recent Period." It mainly included Deng Xiaoping's talks with Yang Shangkun, Jiang Zemin, Li Peng, and several leading members of the Central Military Commission in Beijing, Beidaihe, and other places after June. The 12-page document was printed in No. 4 small type, and it was divided into three parts:

First, enumerating Jiang Zemin's merits in the past year. Second, criticizing those who felt jealous. Third, further stressing the unity inside the party.

When enumerating Jiang Zemin's merits, Deng affirmed: The domestic situation was stabilized in a short time, and Jiang Zemin deserved credit for this. The practice in the past year showed that it was a correct decision to select Jiang. Deng also said: Jiang Zemin had three major strong points. First, he was modest and good at uniting other comrades in the party. Second, his work style was down-to-earth, and he could maintain close ties with the masses and comrades at the grass-roots level, so he was popular with the masses. Third and also most importantly, he could tightly control China's future development orientation and could act calmly and keep sober-headed under a chaotic and changeable situation.

### Criticizing People Who Felt Jealous

Deng Xiaoping criticized some people who felt jealous of Jiang's success and who looked down on Jiang. Deng said: There were always some people in the party who did not do anything but just found fault with other people. They stood there and made indiscreet comments and criticisms. If they were appointed to that responsible position, they would not have been competent. What is "internal dissipation"? This is! Our party has come to grief on account of this for many years in the past! Deng also emphasized that the personnel appointments in the past must not be disturbed by some people under the table, and the old comrades should not interfere in these affairs. The overall situation should be controlled by the



standing committee members, and Jiang Zemin should have the final say. Otherwise, trouble may still appear in two or three years.

The document also cited another passage of Deng's remarks: What does a chairman of the Central Military Commission mean? It means that he is the chief commander of the Armed Forces under the party's leadership. It is said that some comrades were fond of gossip in private. This was not good. Thinking and action should be unified. Those who cannot meet this requirement may lodge a statement and have their retirement applications approved ahead of time. Deng then added: The Armed Forces must lay stress on unity, must keep in step, and must bear responsibility for the performance of each person's duties. The three points are all indispensable, and if any one point is neglected, the troops would be defeated in the war.

#### Deng Xiaoping Also Praised Yang Shangkun

In his talks, Deng Xiaoping also commended Yang Shangkun, saying that Comrade Shangkun could properly handle many affairs and other old comrades should learn from him. Yang Shangkun then interposed a remark: So long as one stands in the party's position and in the position of the nation's future development, one will be able to come round to many things and consciously handle them. Otherwise, one will not be able to set one's mind at rest even when going to see Marx.

The document also included an account of the remarks made by Jiang Zemin when talking with Deng Xiaoping and other top leaders. Jiang said: No major personnel change should be made, because it would bring about many other problems. Jiang Zemin also said: In the past when working in Shanghai, I did not feel the seriousness of this issue. Recently, after reading some materials, I found that people at home and abroad were too sensitive to our personnel arrangement. So the seriousness of this issue must be played down.

#### "The Seventh Plenum Should Completely Be Decided by You"

Li Peng interposed a remark: "The newspapers in Taiwan and the rightist newspapers in Hong Kong even named the members of our Political Bureau! It seemed that they worked even harder than we did, and they were even more anxious!"

Deng Xiaoping also gave an instruction: The Seventh Plenum will completely be decided by you, and I believe that Jiang Zemin's ideas are good ideas.

The document printed by the CPC Central Committee's General Office on 13 August 1990, and it was marked most confidential. It gave expression to the current mentality of the CPC leaders and provided the outline of the coming seventh plenum of the party Central Committee.

Because this report had to be dispatched in haste, the main points of the document could only be excerpted as above. From this top-secret document, we may find the following points:

First, in the CPC top leadership, the anti-Jiang force headed by Li Peng and Yang Shangkun remained rather arrogant and aggressive. So Deng Xiaoping could not but openly back up Jiang among the senior cadres at and above the ministerial level. This in fact indicated that no one was allowed to oppose Jiang Zemin, who was the "nucleus of the leadership core."

Second, the power struggle around the personnel arrangements at the coming seventh plenum of the Central Committee has become rather intense. The elderly party leaders as well as Li Peng and his company were all trying hard to put their trusted followers and people with an ultra-leftist tendency in key positions.

Third, Deng Xiaoping remained the paramount decision-maker inside the CPC. He passed to Jiang Zemin the power to decide the top-level personnel appointments in an attempt to prevent the power struggle from becoming white-hot and apparent. At the same time, he hoped that his ideas could be put into practice through Jiang.

#### Qiao Shi Speaks at Party School Fall Opening

OW0109233190 Beijing XINHUA Domestic Service  
in Chinese 0933 GMT 1 Sep 90

[Text] Beijing, 1 Sep (XINHUA)—At the ceremony marking the beginning of the 1990 autumn semester of the Central Party School today, Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC Central Committee and president of the Central Party School, stressed that the CPC is a Marxist political party and that the nature and mission of the party require all party members, especially party cadres, to study and use Marxism well while implementing and developing Marxism.

Qiao Shi said: The most important thing in studying Marxism is to combine theory with reality. He added: Basically, over the last decade we have achieved significant results in reform, opening to the outside world, and modernization because we have reaffirmed the ideological line of seeking truth from facts, combining theory with reality, and proceeding from reality. The most important task in studying and implementing Marxism is affirming and implementing the ideological line.

Qiao Shi said: By combining theory with reality, I mean that we should use the fundamental theory of Marxism as a guiding principle in resolving real problems we face in the course of revolution and development. At present, it is particularly important for us to uncover, through studying and mastering Marxism's fundamental theory and Chinese reality and historical experience, why the line we have pursued since the 3d Session of the 11th CPC Central Committee is a Marxist one and why the

development of socialism with Chinese characteristics combines Marxism and Chinese reality, while being relevant to the Chinese situation and conforming to the rules of Chinese social development. It is thus that we can strengthen individual efforts to implement the basic line of the party.

Qiao Shi expressed hope that teachers and students at the party school will join forces and study some major problems which have arisen around the main theme of developing socialism with Chinese characteristics. For example, how can we better insist on the "one central task and two basic points" and combine concrete practice with the task of maintaining the four cardinal principles and with reform and opening to the outside world? How can we correctly recognize and implement the principle of combining a planned economy with a market-oriented one? How can we strengthen cultural and ideological progress while focusing on material progress? How can we better strengthen socialist democracy and construction of the legal system?

On the question of integrating the study of Marxist theories with enhancing cadres' understanding of the party spirit, Qiao Shi said: To strengthen party spirit means that every party member is required to transform himself or herself in accordance with the principle of the spirit of a proletarian political party; to enhance his or her confidence and determination in realizing the party's goal of struggle; to raise his or her consciousness in carrying out the party's basic objective and implementing its basic line; to carry forward the party's fine traditions, such as the integration of theory with practice, maintaining close ties with the masses, and criticism and self-criticism; to have a scientific world outlook and master methodology; and to continually transform his or her ideology. He stressed: Currently, education on party spirit should focus on the earnest implementation of the decision of the 6th Plenary Session of the 13th Party Central Committee in order to help party cadres firmly foster the idea of serving the people wholeheartedly, firmly adhere to the mass line, consciously strengthen ties with the masses, carry forward the spirit of hard struggle, be industrious and honest in carrying out their administrative duties, and consciously struggle against corruption and unhealthy tendencies of all descriptions.

Xue Ju, vice president of the Central Party School in charge of day-to-day work, spoke at the school's opening ceremony. Attending the ceremony were more than 900 students enrolled this year and over 160 students from three other departments of the Central Party School.

#### Literature, Art Criticism, Marxism Viewed

HK0309132890 Beijing JIEFANGJUN BAO in Chinese  
8 Aug 90 p 3

[Article by Zhang Jiong (1728 3518): "Literature and Art, Criticism and Marxism"]

[Text] When the ideological trend of bourgeois liberalization was rampant two years ago, negation and depreciation of Marxism became a "fashion" for a time. In the realm of literature and art criticism, Marxism was likewise censured, denounced, and even placed on equal footing with "vulgar socialism" and "mechanical materialism," and was deemed to be leading to the so-called theories of "linear thinking" and "political tool." Nevertheless, Marxist literature and art theories were not and could not be toppled by abuse; they were still developing with vigor and vitality.

Literature and art theorists and critics of the past did indeed also put forward numerous penetrating and unique views and opinions, but an all-around perspective and grasp of literature and art have been completed under the guidance of a Marxist world outlook, aesthetic outlook, and social historical outlook. Marxist dialectical materialism, historical materialism, political economics, and scientific socialist theories have profoundly revealed not only the law governing the development of the natural world and human society, but also the law of human thought, including literature and art.

When observing and studying phenomena of literature and art, numerous literature and art theorists and critics of the past tended to emphasize the relationship of literature and art with society, but overlooked the characteristics and special laws governing literature and art themselves; or, they emphasized the characteristics and special laws governing literature and art, but again overlooked the relationship of literature and art with society, thus dealing with literature and art in isolation for the sake of literature and art. This inevitably leads to oneness in their theories. We should treat literature and art as a social phenomenon, placing them in various relevant social phenomena for observation and study, and seeking their positions by placing them in the overall social structure of economic basis and superstructure. This will bring to light not only their various relationships with other social phenomena, including their relationships with other ideologies, but also their own characteristics and special laws, thus fully expounding the nature of literature and art. This is the very work done by Marxist classical writers and by numerous literature and art theorists and critics under the guidance of Marxist viewpoints, standpoints, and methods in the past 100 years or so.

Once there was a view that Marxist literature and art theories are made up of only broken and incomplete ideas without any system. This does not conform to reality. Indeed, Marxist classical writers from Marx and Engels to Lenin and Mao Zedong did not write any special literature and art works. That does not indicate that they had no systematic viewpoints on literature and art. Writings such as "Marx and Engels on Art," "Lenin on Literature and Art," and "Mao Zedong on Literature and Art" already published in our country have already provided people with a systematic theoretical framework and basic principles of Marxist literature and art studies. Numerous Marxist writers such as Plekhanov, Mehring,

and Lafargue had many specialized works and expositions on literature and art problems. Works such as "Art and Social Life" and "An Unaddressed Letter" by Plekhanov made outstanding contributions to Marxist literature and art theories. After the great October Revolution, with the vigorous development of the proletarian revolutionary literature and art movement in various countries of the world, there has been continuously in-depth research and studies on Marxist literature and art studies. Whether in the Soviet Union or in China, numerous special writings on literature and art studies embodying Marxist viewpoints have been published. This is evident to all.

There is another argument: equating Marxist literature and art criticism with "sociological criticism." This is also inaccurate. Yes, much emphasis is placed on the sociological perspective in Marxist literature and art theoretical criticism, but that does mean there are no other perspectives. In his famous letter to Lassalle discussing historical plays, Engels pointed out that both Marx and he started from historical and aesthetical perspectives in criticizing the historical play "Franz von Sickingen." "History" is a concept with extremely wide implications. It covers not only sociology but also anthropology, studies in culture, politics, economics, religion, morals, and philosophy. It covers, in short, mankind's production mode, life-style, and way of thinking and covers specific relationships between man and nature and between man and man, and man's inner world in different periods of time. The aesthetic viewpoint precisely grasps the aesthetic characteristics and special laws of literature and science. In their letters to Lassalle, Marx and Engels not only discussed the merits and demerits of the historical play "Franz von Sickingen" with respect to the depth and breadth it reached in reflecting the social relationships and social psychology in specific historical periods in Germany, including the societies of aristocrats, knights, peasants, and common people of all kinds, but also explored, from an aesthetic angle, various problems with respect to the portrayal of characters and setting up of fascinating plots. These letters are, in reality, models of Marxist theoretical criticism on history and aesthetics.

Marxism is the crystallization of man's superior accomplishments in science and culture. Just as Marxism will inevitably undergo continuous development and enrichment with the development of man's practice, Marxist literature and art studies will also be continuously developed and enriched with the development of man's literature and art practice and man's overall practice. This is where the vitality of Marxism and its literature and art studies lies. True Marxists never regard Marxism as an ossified dogma but as a guide to action. They continuously sum up experiences from practice, explore new problems, and vigorously absorb the latest achievements in contemporary natural sciences, humanities, and social sciences to enrich and develop themselves. Marxist literature and art theories have never been and should never be a closed system. In the contemporary age, every

department of science is in the process of rapid development. Intersection and synthesis of various departments of science and branches of learning have become the overall trend of scientific development. Therefore, to develop and enrich Marxist literature and arts studies, we surely should not refuse to absorb the positive achievements in the various fields such as contemporary anthropology, sociology, cultural studies, psychology, pedagogy, linguistics, systematology, cybernetics, and information science, including various positive accomplishments attained by Western literature and art experts in their explorations. The problem does not lie in whether or not we should absorb them or use them for reference, but in our adherence to the viewpoint that practice is the only criterion for testing truth, by subjecting all accomplishments to trial before the court of practice to distinguish true from false and analyze whether they are good or bad, so as to truly absorb and use them for reference with a critical eye.

Ours is a socialist country. Our literature and art are socialist literature and art. Faced with new historical conditions and new historical missions, socialist literature and art will inevitably have new characteristics and new laws of their own. These are all new themes that we cannot fail to explore and study in our Marxist literature and art theoretical criticism. In the reform and opening up of the past 10 years, the circle of literature and art theoretical criticism have introduced various models of criticism from the West, such as from comparative literature to new criticism, from structuralism [jie gou zhu yi 4814 2845 0031 5030] to de-structuralism [jie gou zhu yi 6043 2845 0031 5030], from psychological analysis to prototype analysis. This has indeed enriched the perspective and widened the scope of literary studies. The weaknesses and limitations of these models of criticism are also apparent. They should and can never become the mainstream of literature and art theoretical criticism. In our country's literature and art theoretical criticism, Marxist literature and art theoretical criticism should still play the leading role, otherwise literature and art theoretical criticism cannot possibly be built on a true scientific basis, nor can it vigorously guide and promote the healthy development and great prosperity of socialist literature and art. Accordingly, Marxist literature and art theoretical criticism will undergo greater development in our country as a matter of course and will occupy a more important position. This makes it necessary for us to closely integrate theory with practice in a better way, continuously develop our field of vision and, in the scientific summing up of new practical experience and in the tough and tenacious struggle against anti-Marxist literature and art ideological trend, further enrich our theories and thinking and sharpen our theoretical weapon, so as to make further down-to-earth progress in Marxist literature and art theoretical construction.



**Jiang Zemin, Yang Baibing Inspect Xinjiang****Jiang's Remarks, Activities**

OW0209210990 Beijing XINHUA Domestic Service  
in Chinese 0517 GMT 2 Sep 90

[By reporters He Ping, and Luo Yuwen]

[Text] Urumqi, 2 Sep (XINHUA)—During his recent inspection of the Xinjiang Uygur Autonomous Region, Jiang Zemin, general secretary of the CPC Central Committee and chairman of the Central Military Commission, pointed out: Special efforts should be made to promote unity and development in our community of Chinese peoples. Great efforts should be made to promote this spirit among people of all nationalities, regions, and departments as well as between the military and local authorities, so that the superiority of socialism can be fully manifested. As long as people of all nationalities in the country think with one mind, breathe together, share the same destiny, and work hard in unity under the CPC leadership, our cause will stand tall like the Tian Shan and Kunlun Mountains and we will always be invincible.

Early fall is harvest time in Xinjiang. The weather is delightful, the fragrance of melons and fruits is in the air, and cattle and sheep are fully grown. In the company of Wang Enmao, vice chairman of the Chinese People's Political Consultative Conference [CPPCC] National Committee and chairman of the Xinjiang Regional Advisory Commission; Song Hanliang, secretary of the Xinjiang Regional Party Committee; Tomur Dawamat, chairman of the Xinjiang Regional People's Government; and Fu Quanyou, commander of the Lanzhou Military Region; Jiang Zemin and Yang Baibing, member of the Secretariat of the CPC Central Committee, secretary general of the Central Military Commission, and director of the General Political Department [of the Chinese People's Liberation Army], visited Xinjiang from 22 August to 1 September. They crossed Tian Shan Mountain and the Gobi desert, visited oases, and inspected a certain testing and training base under the Commission of Science and Technology for National Defense, Bayingolin Mongol Autonomous Prefecture, the Tarim Oil Development Zone, Hotan Prefecture, Kizilsu Kirgiz Autonomous Prefecture, Kashi Prefecture, Ili Kazak Autonomous Prefecture, the Shihezi reclamation zone, Changji Hui Autonomous Prefecture, and Urumqi. Immediately after arriving at a locality, Jiang Zemin and the others made it a practice not to take a rest but to go directly to factories, rural and pastoral areas, oil fields, and military units to familiarize themselves with the situations and to convey the care and regards of the CPC Central Committee, State Council, and Central Military Commission to the 14 million people of all nationalities in Xinjiang and troops stationed in Xinjiang. Jiang Zemin was deeply impressed with Xinjiang's vastness, rich natural resources, economic development, the people's yearning for stability, and unity of people of all nationalities, all of which have contributed to Xinjiang's prosperity and bright future development. He

pointed out: Stability, unity, development, and prosperity are what people in Xinjiang and other parts of the country want and are determined to achieve. With this common will and collective strength, we can surmount any difficulty and accomplish anything.

Talking to local cadres on the way, Jiang Zemin underscored the importance of upholding the CPC leadership. He pointed out: The reason the Chinese peoples can always stand tall in the East despite all kinds of hardship and torment is because they have a staunch proletarian political party which is armed with Marxism-Leninism-Mao Zedong Thought and has a strong sense of organizational discipline. The CPC has rallied the Chinese peoples, who, in the past, were as disunited as loose sands. There would be no new China without the CPC. This is one irrefutable truth. It is only when we have firmly upheld the CPC leadership that we can make sure that our endeavor to reform and open up to the outside will always proceed along the socialist course.

Xinjiang is a multinational region where people of the dominant Uygur nationality and of 46 other nationalities live in compact communities. In each locality he visited, Jiang Zemin repeatedly explained to cadres of all nationalities the significance of safeguarding stability and strengthening unity. He said: Stability is of paramount importance, for nothing can be achieved without it. In order to have stability, we must promote greater unity among people of all nationalities, and between the cadres and the masses, between the military and the government, and between the military and the people. Cadres of the Han nationality and of minority nationalities must foster and uphold the concepts of nationality and religion expounded in Marxism-Leninism-Mao Zedong Thought and use these concepts as a guide to observing, studying, and handling nationality and religious issues. We should earnestly implement the Law of Regional Autonomy and the CPC's policies on nationalities and religion, firmly help the vast number of cadres and people understand that "people of Han nationality need people of minority nationalities and people of minority nationalities need people of Han nationality," and make great efforts to promote cooperation and fraternal ties among people of all nationalities so that they will, holding high the banners of patriotism and socialism, safeguard national unification, oppose national division, work hard to achieve co-prosperity among people of all nationalities, and build our great socialist motherland into an even better place.

Xinjiang has rich oil and natural gas resources. In recent years in particular, major breakthroughs have been achieved in oil prospecting in the Tarim Basin and victories in oilfield development can be anticipated. After hearing reports made by departments of the Ministry of Geology and Mineral Resources and the China National Petroleum and Natural Gas Corporation, Jiang Zemin visited the Lunnan area in the northern Tarim Basin on 23 August to observe its oil prospecting and development. Braving the rain, he climbed up a high derrick to familiarize himself with production and talk

with oil workers and give them his best regards. When informed that new technology and modern seismometers, drills, and gauging and testing equipment were used for oil field development and mining, he was very pleased but admonished: The material conditions today are much better than before. Today oil workers do not have to pull and lift things with their shoulders as did workers of the Daqing Oilfield in the past. Nevertheless, we should continue to maintain and carry forth their spirit of hard work and tradition of selfless dedication.

On many occasions during the inspection, Jiang Zemin visited the families of peasants, herdsmen, and reclamation workers to inquire about their health and to talk with them. Jiang Zemin endorsed collective services and the two-tier operating system which Xinjiang has improved and perfected in sprawling rural areas in order to stabilize the output-based family contract system. He pointed out: The output-based family contract system in rural areas, which has been in effect since the 3d Plenary Session of the 11th CPC Central Committee, has immensely aroused the peasants' initiative and powerfully expedited the development of productive forces. It is the result of integrating basic Marxist theory with realities in China's rural areas. This contract system must be stabilized and not shaken for a long time to come. Of course, it should be further developed and improved following the development of productive forces and reform in rural areas. Localities with the resources should carry out sizable operations in a way compatible with their situations, and should make efforts to develop social services the peasants need. Not only will this address problems which families cannot deal with individually, but can also increase collective economic strength, make farming even more scientific, expand the capacity for agricultural development, and give the output-based family contract system even greater vitality.

After nearly 40 years, the Xinjiang Production and Construction Corps, which shouldered the reclaiming and garrisoning of border areas, has become a new type of socialist complex in which farmers, workers, businessmen, students, and troops are closely integrated; and in which agriculture, forestry, animal husbandry, sideline production, and fisheries are fully developed. While visiting the corps' Shihezi Reclamation Zone, Jiang Zemin first paid tribute to the monument which marks Premier Zhou Enlai's inspection of the corps many years ago. He highly praised the corps' significant contributions to the border areas' construction, defense, and stability. He pointed out: History has proved that the decisions made by party and state leaders of the older generations to simultaneously reclaim and garrison border areas are of strategic importance. The corps has truly lived up to its reputation as a production group, work group, and fighting group; and as a major force contributing to Xinjiang's economic construction, national unity, social stability, and border defense.

During his inspection of Xinjiang, Jiang Zemin reviewed a unit of the People's Liberation Army stationed in

Xinjiang; called on a base of the Commission in Charge of Science, Technology, and Industry for National Defense and on comrades of the Xinjiang Military District, Southern Xinjiang Military District, units of the Air Force stationed in Xinjiang, and the Xinjiang Armed Police Corps; and went among fighters of the Huo-er-guo-si [7202 1422 2654 2448] border defense company and border defense station. He lauded the Xinjiang military units for their glorious tradition and spoke highly of their spirit of devotion to national defense and defiance of hardships in guarding the country's frontier. Jiang Zemin said that particularly since the 3d Plenary Session of the 11th party Central Committee, party committees at all levels and the masses of cadres and fighters under the Xinjiang Military District, under the party Central Committee and the Central Military Commission with Comrade Deng Xiaoping as the core, have resolutely implemented directives of the party Central Committee and the Central Military Commission, vigorously strengthened political construction, firmly maintained a high degree of political unity with the party Central Committee, and thus successfully fulfilled their tasks. The military units stationed in Xinjiang have unremittently strengthened and safeguarded army-government unity and army-civilian unity, and particularly, unity among all nationalities. They have done many good things for people of all nationalities in the frontier and have consequently won their support and love. Jiang Zemin encouraged the commanders and fighters of military units in Xinjiang to continue to pay attention to army building in their future work; do a good job in conducting education on upholding the four cardinal principles and on opposing bourgeois liberalization; raise the political awareness of cadres and fighters; continue to carry forward the glorious tradition of working hard; soundly do a good job in all fields of army building; raise the overall fighting power of all military units; continue to do well the work of promoting army-civilian unity and unity among all nationalities; launch more extensive activities to support the Army and the government, to develop spiritual civilization through the joint efforts of soldiers and civilians, and to promote unity and progress among all nationalities; enhance the flesh-and-blood ties between soldiers and civilians of all nationalities; actively support and take part in Xinjiang's development and construction; and achieve new results in invigorating Xinjiang's economy and bringing about prosperity and progress among all nationalities.

Before leaving Xinjiang, Jiang Zemin heard a report from party and government leaders of the autonomous region and made an important speech. He said that Xinjiang's tremendous achievements in economic and social development were the results of efforts of people of all nationalities in Xinjiang to unite as one, make active sacrifices, and work hard with self reliance under the party's leadership. These achievements could not have been made without the common effort and industrious work of party, government, and military cadres at all levels in the autonomous region. Practice has proven that our party's basic line of "one center, two basic

points" is entirely correct and strongly supported by the people. He expressed the hope that everyone will continue to sum up their experiences and make sustained and redoubled efforts to improve their work.

Touching on Xinjiang's economic development, Jiang Zemin said that it is necessary to attach strategic importance to agriculture and livestock breeding, and strive to build Xinjiang into a base for cotton, grain, sugar-bearing crops, and animal husbandry. It is necessary to give priority to developing transportation services and energy sources. Concentrated efforts should be made to exploit petroleum and natural gas resources. At the same time, if conditions permit, it is necessary to develop light, textile, and petrochemical industries which use raw materials within the region. In economic development it is necessary to coordinate all the activities of the nation as in a chess game, consider the region's interests, and promote regional economic cooperation. He said he believed that Xinjiang's economy will be able to develop rapidly as long as people of all nationalities throughout Xinjiang work hard together and fully exploit their advantages and potential with the support of state and local authorities.

In his speech Jiang Zemin also talked about improving the development of cadre contingents. He stressed that it is necessary to attach importance to the training of minority cadres and give scope to the role of minority cadres. He called on cadres at all levels to increase study of basic Marxist theories. In particular, they should start with the study of the works of Comrade Mao Zedong and Comrade Deng Xiaoping. Moreover, they should study their works in order to apply them. It is necessary to guide and organize young cadres to go among the masses, plunge into practice, and learn from the masses and from practice. It is necessary to strengthen the development of clean government among cadres so that they will be able to meet the test of being part of the ruling party and the test of reform and opening to the outside world, firmly foster the idea of serving the people wholeheartedly, and do good and useful things for the masses. Cadres, especially leading cadres, should develop the fine work style of respecting one another, learning from one another, supporting one another, understanding one another, making up for each other's deficiencies and raising each other's level, and working together in the spirit of cooperation. Jiang Zemin expressed the hope that cadres of all nationalities in Xinjiang will strive to constantly push ahead Xinjiang's construction and reforms by relying closely on collective wisdom and strength as well as on the masses of all nationalities.

On the morning of 1 September Jiang Zemin and his party made a special trip to the Cemetery of Martyrs in Urumqi City to lay wreaths at the tombs of Chen Tanqiu, Mao Zemin, Lin Jilu, and other revolutionary martyrs.

Wherever he visited during his inspection, Jiang Zemin conveyed the regards of Vice President Wang Zhen to people, commanders, and fighters of the Liberation

Army, and staff and workers of state reclamation farms of all nationalities in Xinjiang.

Accompanying Jiang Zemin on his inspection were Ye Qing, vice minister of the State Planning Commission; Wang Tao, general manager of the China National Petroleum and Natural Gas Corporation; Zhao Yannian, vice minister of the State Nationalities Affairs Commission; Liu Jiang, vice minister of agriculture; Zeng Qinghong, deputy director of the General Office of the CPC Central Committee; and (Tend Wensheng), deputy director of the Policy Research Office of the CPC Central Committee.

### Jiang, Yang at Railroad Opening

OW0209023790 Beijing Domestic Service  
in Mandarin 0930 GMT 1 Sep 90

[From the "National Hookup" program]

[Text] Construction of the railroad from Urumqi to the Ala Mountain Pass, a western section of the Lanzhou-Xinjiang Railroad and a state key project, has been completed. A ceremony to open the railroad to traffic was held at the West Railway Station of Urumqi on 1 September. Jiang Zemin, general secretary of the CPC Central Committee, cut the ribbon to open the railroad and wrote an inscription for the Urumqi Railway Bureau, which read: The whole bureau goes all out to create good results.

The western section of the Lanzhou-Xinjiang Railroad, running from the West Railway Station of Urumqi to the Ala Mountain Pass on Sino-Soviet border, is 460 kilometers long. Total investment in the project amounted to 720 million yuan. Construction of the railroad began on 1 May 1985. During the construction period, authorities concerned had insisted on putting a section into use as soon as it was completed. As of the end of June this year, more than 41 million yuan in transportation revenue had been realized, achieving good economic results and social benefits.

After the western section of the Lanzhou-Xinjiang Railroad was completed and opened to traffic, a 4,000-kilometer grand artery crossing China, from Lianyungang in eastern China to the Ala Mountain Pass in western China, was formed. This artery will play an important role in developing China's economy, especially Xinjiang's economy.

At the ceremony, Jiang Zemin and other leading comrades presented banners to 15 units, including the Beijing Railway Company and the First Survey and Design Institute of the Ministry of Railways, for making contributions to constructing the railroad. Also attending the ceremony were Yang Baibing, Wang Enmao, Li Senmao, Gu Xiulian, Song Hanliang, secretary of the Xinjiang Uygur Autonomous Regional CPC Committee, and Tomur Dawamat, chairman of the Xinjiang Autonomous Region.



**Yang Shangkun Appoints, Removes Ambassadors**

*OW0109233490 Beijing XINHUA Domestic Service  
in Chinese 0908 GMT 1 Sep 90*

[Text] Beijing, 1 Sep (XINHUA)—Based on a decision by the National People's Congress Standing Committee, Yang Shangkun, president of the People's Republic of China, has appointed and removed the following ambassadors to foreign countries:

1. Remove Cai Fangbo from the post of ambassador extraordinary and plenipotentiary of the People's Republic of China to the Swiss Confederation.

Appoint Ding Yuanhong [0002 0626 3163] ambassador extraordinary and plenipotentiary of the People's Republic of China to the Swiss Confederation.

2. Remove Zhang Zai from the post of ambassador extraordinary and plenipotentiary of the People's Republic of China to Australia and the Federated States of Micronesia.

Appoint Shi Chunlai [4258 2504 0171] ambassador extraordinary and plenipotentiary of the People's Republic of China to Australia and the Federated States of Micronesia.

**East Region****Shen Daren Addresses Rural Work Conference***OW0309063790 Nanjing Jiangsu Provincial Service in Mandarin 0915 GMT 1 Sep 90*

[Text] A five-day provincial conference on rural work ended today. The central topics of the conference surrounded a discussion of next year's agricultural production and this year's autumn plowing in accordance with agricultural production targets set in the Eighth Five-Year Plan and the examination of three documents, namely: Decision of the Jiangsu Provincial CPC Committee on Some Questions Concerning Work in the Countryside, Some Suggestions of the Provincial CPC Committee and Government Concerning Work in Countryside for Next Year, and the Circular on Controlling and Reducing the Burdens of Peasants.

Responsible persons of the provincial party committee and government, including Shen Daren, Chen Huanyou, Cao Hongming, and Ling Qihong, spoke at the conference.

Shen Daren said: This conference is being held to plan next year's rural work, make arrangements for implementing the autumn plowing plan, and study and decide on the direction and basic tasks of rural work in our province for the near future. He pointed out: Whether readjusting the industrial structure or speeding up the opening up, we cannot do without the stable development of agriculture and the vital support it provides.

Speaking of earnestly implementing the tasks for developing the rural economy in 1991, he stressed that at present we should pay close attention to several important areas: First, work hard to ensure a bumper harvest of autumn-ripened crops and earnestly implement the autumn plowing plan. All localities should foster the idea of fighting natural disasters and striving for a bumper harvest. They should fight and help the people tide over disasters and spare no efforts to carry out later-stage field management of autumn-ripened crops. We should do a good job in designating areas for grains and cotton and see to it that at least 96 million mu of grains and 9.2 million mu of cotton are planted in accordance with the plan. We should make adequate preparations for autumn plowing and thus lay a good foundation for a bumper harvest of summer-ripened crops next year. Second, we should set our eyes on the future, promote comprehensive agricultural development, and increase our overall agricultural production capacity. Third, we should make earnest efforts to stabilize the policy and protect farmers' enthusiasm for production.

In conclusion, Shen Daren urged party committees at all levels to step up their leadership over rural work. All trades and professions should wholeheartedly support and contribute to the development of agriculture. Efforts should be made to strengthen grass-roots party committees in rural areas. While promoting economic work in

the countryside, it is also necessary to pay close attention to developing spiritual civilization.

At the conference, the provincial party committee and government also commended 30 farmers in our province who have been named national model agricultural workers.

**Jiangxi Holds Meeting of College Presidents***HK3108015390 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 29 Aug 90*

[Excerpts] On the eve of the forthcoming new semester, the provincial education commission held in Nanchang a meeting attended by presidents of all the institutions of higher learning in our province.

Presidents of 61 ordinary institutions of higher learning and institutions of adult higher education gathered together to sum up and exchange college work experiences gained in the last semester and study and make arrangements for work of the forthcoming new semester.

(Wang Taihua), member of the Standing Committee and director of the propaganda department of the provincial party committee, attended the meeting and gave a report on how institutions of higher learning should implement the CPC Central Committee's circular on strengthening party building in institutions of higher learning, adhere to the leading position of party committees, bring into play the important role of college presidents, strengthen and improve work toward intellectuals, fully mobilize the enthusiasm of intellectuals, give play to the role of intellectuals, strengthen administration, and continue to promote the building of a fine campus atmosphere.

Chen Guizun, vice provincial governor, also attended the meeting and gave a report entitled "Adhere to Socialist Orientation in Running Colleges, Improve Higher Education Quality."

All the college presidents attending the meeting held that in the first semester of this year, like other parts of the country, institutions of higher learning in our province strengthened the party leadership over their work, strengthened ideological and political work, and enjoyed a stable political situation unseen since the year 1984. [passage omitted]

The provincial education commission pointed out that in the new semester, the task of our provincial higher education is: To concentrate efforts on creating a fine campus atmosphere, improving education quality, reinforcing and rectifying institutions of higher learning, rationalizing the structure of institutions of higher learning, organizing teachers and students to participate in social practice and the three types of work, namely, developing agriculture by relying on science and technology, developing [words indistinct] by relying on science and technology, and working hard to serve Jiangxi's economic and social development by closely centering on strengthening the party leadership over institutions of

higher learning, strengthening ideological and political work, and maintaining sustained stability in institutions of higher learning.

In the new semester, in order to promote the building of a fine campus atmosphere, institutions of higher learning must carry out thoroughgoing activities aimed at building a fine campus atmosphere with stress on creating five phenomena and eliminating 10 phenomena. The five phenomena are: Healthy political atmosphere, fine teaching style and learning style, strict campus regulations and disciplines, beautiful campus environment, and down-to-earth leadership style; The 10 phenomena are: Business dealings involving individual teachers or students, cheating on examinations, putting up big-character or small-character posters, spreading, duplicating, reading, watching, or peddling reactionary or pornographic books and publications or audio-visual products. [passage omitted]

#### Shandong Governor Speaks on Opening Up

SK0109054390 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 31 Aug 90

[Text] The provincial conference on opening to the outside world was held in Qingdao City on 31 August. Attending the conference were Zhao Zhihao, deputy secretary of the provincial party committee and provincial governor; Gao Changli, Standing Committee member of the provincial party committee and provincial vice governor; Guo Songnian, Standing Committee member of the provincial party committee and secretary of the Qingdao City party committee; Ma Shizhong, Li Chunting, and Song Fatang, provincial vice governors; and Li Yu, chairman of the Shandong Chamber of International Commerce of the China Chamber of International Commerce.

Provincial Governor Zhao Zhihao gave a speech entitled "Clearly Understand the Situation, Go All Out To Develop Shandong's Opening to the Outside World, and Quicken Its Pace." Zhao Zhihao said: With the guidance of the general principle of reform and opening up, our province's economic and social development has entered a new period since the third plenary session of the 11th party Central Committee. Profound changes have taken place in various fields, and great achievements have been scored in opening to the outside world. However, we should fully understand the new situation we encounter and the difference between our province and others, and should have a stronger sense of urgency in opening to the outside world.

Zhao Zhihao said: The general guiding principle for our province's opening to the outside world for the next few years is further emancipating our minds, enhancing the sense of the work of opening up as a whole, strengthening the investment climate, developing our comprehensive advantages, and carrying out work in a creative manner to push Shandong's export-oriented economy to a new stage, and [words indistinct]. In the Eighth Five-Year Plan period, we should achieve new progress in the

export-oriented economy and establish an initial export-oriented economic pattern in the open zone of the peninsula.

Zhao Zhihao pointed out: To realize the strategic goals of our province's opening to the outside world, we should perform our work in line with the following principles. We should proceed from reality and develop our advantages in resources to the maximum; based on this, we should optimize the structure, and work hard to improve our technological level and economic results; we should combine the efforts of the eastern and western parts of the province, introduce investment from abroad and establish lateral ties in the province, and make the opening up of the eastern area and the development of the western area promote each other; we should make overall plans and take all factors into consideration, give prominence to major work, stress realistic results, and maintain balanced development; and we should persist in the principle of attending to two fields of working simultaneously to ensure the socialist orientation of opening to the outside world.

Zhao Zhihao emphasized: To carry out the various work for opening to the outside world in a more active and down-to-earth manner, we should first further emancipate our minds, enhance the sense of the work of opening up as a whole, overcome unrealistic complacency, contentment with things as they are, a lack of correct understanding of the relationship between reform and opening up on the one hand and the economic improvement and rectification on the other, the idea of sticking to conventions, self-enclosed and conservative ideas, and the idea of judging opening to the outside world from the viewpoint of the small-scale peasant economy. Second, we should adopt a positive attitude to open up channels for cooperation with foreign countries. Third, focusing on making a success of the Chinese-foreign joint ventures and cooperative enterprises and exclusively foreign-funded enterprises, we should use foreign capital in a fruitful manner. Fourth, we should boost the enthusiasm of various quarters to expand export and earn more foreign exchange. Fifth, we should open wider to other localities of the country, and strengthen lateral economic ties. Sixth, we should concentrate efforts on the construction of infrastructural facilities. Seventh, we should use policies well and strengthen service to provide good conditions for opening to the outside world.

#### Zhu Rongji Urges Leaders To Help Typhoon Victims

OW0209140190 Shanghai City Service in Mandarin  
0900 GMT 1 Sep 90

[Excerpts] Soldiers and civilians in Shanghai, united together under the unified arrangement and leadership of the municipal government, struggled against typhoon No 15, thus reducing the damage from it to a minimum. Typhoon victims have been properly taken care of.

Zhu Rongji, secretary of the municipal CPC Committee and mayor of Shanghai, telephoned the municipal flood



control headquarters at 0930 and inquired about developments related to the typhoon. In his call, Comrade Zhu Rongji reminded relevant leading cadres to try their best to help solve practical problems of the affected masses and to deal well with the aftermath of the typhoon.

Vice Mayor Zhuang Xiaotian and municipal Agricultural Commission Chairman Zhang Yan visited this morning Qingpu County which was badly hit by the typhoon. On behalf of Mayor Zhu Rongji, they warmly comforted peasants affected by the typhoon. They also issued instructions for the ongoing disaster relief work. Zhuang Xiaotian said: Leaders of Shanghai suburbs and counties should arrange well the livelihood of the masses. The typhoon has caused heavy losses to houses of peasants. The more the masses meet with serious difficulties in life, the more we should show concern for their life. He said: Municipal suburbs and counties should take measures to prevent loss of cotton crops, arrange rapid draining away of excess water from fields, and make every effort to bring more vegetables to the market to ensure supply.

Shanghai and its suburbs and counties have been hit by heavy rains caused by the typhoon since yesterday. Many areas suffered varying degrees of damage. Soldiers and civilians in the municipality are united together to struggle against the disaster and carry out disaster relief work. Troops stationed in Baoshan County sent more than 1,000 workers for disaster relief work. (Pengsha) Island was hit by a tornado. Sixty-six houses of peasants collapsed. Local cadres organized the masses to help move villagers affected by the typhoon to their neighbors' houses. As a result of the typhoon, some 1,000 cases of power failures have been reported in the whole municipality. The municipal power bureau has sent out 1,000 workers to restore electricity. As of 1600 today, 896 cases of power failure had been solved. Some 30,000 houses in Nanshi, Hongkou, and other districts were inundated. At present, except for some areas which are still inundated, water in most areas has receded. Affected masses have been properly taken care of. [passage omitted]

Municipal flood control headquarters issued a notice this afternoon which said that after the lifting of warning against the tropical storm at 1800 today, there will still be force 8 strong winds this evening. Therefore, the municipal flood control headquarters called on relevant units, units which work high above ground, and vessels to exercise caution.

#### **Shanghai Reshuffles Armed Forces Commission**

*OW0309111790 Shanghai City Service in Mandarin 2200 GMT 1 Sep 90*

[From the "Morning News" program]

[Text] The People's Armed Forces Commission of the Shanghai Municipal CPC Committee held a plenary meeting yesterday morning [1 September].

The municipal party committee's notice on reshuffling the commission was read and the guidelines of the national conscription work conference was relayed at the meeting. The meeting also studied issues in connection with how the people's militia could cooperate with public security organs to maintain social order.

Ni Hongfu, deputy secretary of the municipal party committee; Liu Zhenyuan, vice mayor and deputy director of the commission; (Xu Wenyi), commander of the PLA [People's Liberation Army] Shanghai garrison and deputy director of the commission; and (Zhu Xiaochu) political commissar of the PLA Shanghai garrison and deputy director of the commission; attended and spoke at the meeting.

### **Central-South Region**

#### **Gun Trafficker Arrested in Guangzhou**

*HK3008143690 Guangzhou Guangdong Provincial Service in Mandarin 0040 GMT 30 Aug 90*

[Text] The public security sub-bureau of Liwan District in Guangzhou City recently cracked a case of trafficking in military guns, arresting criminal trafficker (Chen Zhiqian), and seizing four military pistols and 33 bullets.

After being given leads by people in connection with a case of gun trafficking in early May this year, the public security sub-bureau of Liwan District immediately assigned its police to carry out investigations into the case. Upon investigation, they discovered that a fugitive from a reformatory, named (Chen Zhiqian), living at (Dehui) Lane in Yide Road, looked very suspicious. On 8 August, when (Chen Zhiqian) went to a room in the Aiqun Hotel, he was subdued by police. After being interrogated, (Chen Zhiqian) confessed his crime, saying that he had bought four military pistols and 33 bullets in other provinces at the beginning of this year, and intended to sell them for profit.

#### **Hainan Improves Investment Environment**

*OW0209150690 Beijing XINHUA Domestic Service in Chinese 2251 GMT 27 Aug 90*

["Roundup: Increasing Improvement of Investment Environment in Hainan Wins Praises From Foreign Businessmen (by reporter Chen Jiang (7115 3068))"—XINHUA headline]

[Text] Haikou, 28 Aug (XINHUA)—The infrastructure in Hainan Special Economic Zone [SEZ] has been remarkably improved after rapid construction in the past few years. The increasing improvement of the investment environment has won praise from foreign businessmen and attracted more foreign investments to Hainan.

Hainan's infrastructure originally was very inadequate. Before it was made a province and became an SEZ, the

whole island's installed capacity of electric power was merely 388,000 kw, most of which was generated by hydraulic power. Because of an insufficient power supply, many factories often suffered downtime. People's lives and the tourist industry also were affected. Citizens in Haikou City, capital of the province, had to use kerosene lamps or candles at night because of power shortages. Many guesthouses and restaurants at times not only had to stop operating their elevators but also had no bath water. This scared away many tourists and investors.

To solve power shortages, the government of Hainan Province has taken measures to quicken the construction of power supply facilities. In Macun village, more than 20 km west of Haikou City, a power supply base was built. The Hainan gas turbine power station and the first- and second-phase projects of Haikou thermal power plant were constructed and put into operation in succession there. Abundant with electricity, Hainan thereupon said good-bye to the days of power shortages. According to statistics, Hainan has increased its installed capacity of power by 400,000 kw in more than two years, doubling that of 1987, before it was made a province.

Transportation also has been improved. Hainan has established air routes connecting it to some important cities in the five major economic regions of northeast, northwest, north, central south, and southwest China. In addition, it also has opened air routes and chartered flights with Hong Kong, Bangkok, and Singapore. Its air routes have increased from four before it became a province to 20. More than 80 flights take off and land here each week. People can travel between Hong Kong and Haikou every morning and afternoon. Moreover, they can also purchase air tickets at agencies set up in Haikou for flights from Hong Kong to various countries around the world. Port and water transport facilities also have been greatly improved. Handling capacity has increased from 7.4 million metric tons before Hainan became a province to 10 million metric tons. There are four berths for ships with a deadweight of 10,000 metric tons. Now, in addition to relying on ships provided by Guangzhou Shipping Bureau for transportation, Hainan has expanded its own water transport industry from the original three enterprises to 27. The transport capacity of various kinds of ships has grown to 163,000 metric tons from less than 40,000 metric tons before Hainan became a province.

When Hainan was made a province in 1988, its communications facilities were very poor. It was very difficult to communicate with Mainland China, Hong Kong, Macao, and foreign countries. After the rapid development of telephone automation in urban areas, the number of program-controlled telephone sets in Haikou City has increased from 5,000 to 22,000 today. The amount of local telephone sets in the province has increased from over 14,000 sets before it was made a province to more than 41,000 sets now. There are automatic and semiautomatic long-distance telephone systems connecting Haikou to other major cities around

the country. In addition, an automatic telephone system has been established to link Haikou directly to Hong Kong and other major countries and regions around the world. Currently, a project for an additional 32,000 local telephone sets is under construction in Haikou. The project is scheduled to be completed and put into operation sometime between the end of this year and the beginning of next year. The local telephone communication system in Haikou City will be greatly improved by then and its per capita local telephone sets will rank at the top among large- and medium-sized cities in the country.

Hainan has drawn the attention of investors at home and abroad with its rapid construction of infrastructural facilities and the improvement of its investment environment. A group of Taiwan businessmen visited Hainan not long ago. After seeing that there was an abundant power supply, convenient transport and telecommunications systems, and well-run factories, they could not help acclaiming: "The conditions in Hainan are far better than we expected!"

Qiu Yonghan, a Chinese residing in Japan and president of the Qiu Yonghan Development Limited, has visited Hainan many times. He maintains that Hainan not only is abundant in natural resources but also has a good investment environment. Its power supply, transportation, and telecommunications have been improved quickly. When this entrepreneur made another visit to Hainan in June this year, he decided to cooperate with the Hainan Provincial Bureau of Farms and Land Reclamation and signed an agreement promising an investment of \$20 million in Haikou to build the "Yonghan International Building" which will have 70,000 square meters of floor space. He plans to use this building as his headquarters for joint development in tourism, agriculture, breeding industry, building materials, and electrical appliances in Hainan in the future. He said: "Hainan is the sunbelt area for investment. I have chosen it as the starting point for my investment in China."

As shown by relevant statistics, Hainan has approved more than 900 foreign-funded enterprises since it was made a province. Foreign enterprises have agreed to invest over \$600 million, of which \$297 million has been realized. Hainan has also signed agreements with enterprises in Mainland China to construct over 3,000 projects in the past two years and more, with an investment of more than 5 billion renminbi. The actual amount of investment made by Mainland China counterparts so far is 1.6 billion yuan.

#### **Hainan Cadres Leave for Central Party School**

*HK0109063090 Haikou Hainan Provincial Service  
in Mandarin 2200 GMT 30 Aug 90*

[Text] According to HAINAN RIBAO's report, led by Li Zhimin, member of the Standing Committee and (director) of the organization department of the provincial party committee, 16 leading cadres of our province left

for the Central Party School to study on 30 August. Deng Hongxun, secretary of the provincial party committee, saw them off.

Before sending them off, the provincial party committee held a forum. Comrade Deng Hongxun attended the forum and urged all of them to be diligent and good at thinking during their studies and treasure this rare opportunity.

At the forum, Li Zhimin said that in order to successfully build the special economic zone, it is necessary to do a lot of work relating to personnel questions. First, it is necessary to attract all types of qualified personnel; second, it is necessary to study in order to change one's knowledge structure and make up one's shortfalls. Now many cadres in Hainan do not pay attention to conducting in-depth and strict thinking, nor do they carry out in-depth study of the party's line, principles, and policies. If they continued to do things in this way, they would certainly fail to do their work well.

Li Zhimin pointed out that the question of studying is of particular importance in Hainan. In the future, studying and training should become something compulsory.

#### Hubei Leaders Console Police Officers

HK3108065590 Wuhan Hubei Provincial Service  
in Mandarin 1300 GMT 30 Aug 90

[Text] This morning Guan Guangfu, Guo Shuyan, Zhao Fulin, Qian Yunlu, and other leading comrades of the provincial party committee, the provincial Advisory Commission, the provincial People's Congress, the provincial people's government, the provincial committee of the Chinese People's Political Consultative Conference, and the provincial military district called on and received public security department heads and other public security personnel from the forefront of meting out severe punishment to criminals in different prefectures, cities, and counties.

They conveyed their sincere solicitude to public security police and armed police who had fought day and night and carried on a tenacious struggle against crimes in order to maintain political stability of the province and effect a marked turn for the better in public order. Meanwhile, they fully affirmed that the public security force of our province was a splendid contingent having a high level of political consciousness and fighting a stiff fight. They are guards faithful to the party and people and to the four modernizations. They hoped that officers and men of public security police and armed police of the province would continue to brace themselves up, work ceaselessly and unremittingly, and make new contributions to insuring the safety of the Asian Games and the National Day, maintaining stability of the overall situation of the province, and bringing about a further improvement in social order.

Also present at the meeting were Tian Qiyu, Li Daqiang, Chen Ming, Shen Yinluo, Tian Ying, Han Hongshu, (Li Lun), (Ma Liang), (Wang Sheng), and other leading comrades.

#### Southwest Region

##### Guizhou's Liu Zhengwei Views Afforestation Work

HK0109070090 Guiyang Guizhou Provincial Service  
in Mandarin 2200 GMT 29 Aug 90

[Excerpts] The provincial conference on forestry began under the auspices of the provincial party committee and the provincial government in Guiyang yesterday.

Liu Zhengwei, secretary of the provincial party committee, delivered a speech entitled Strive To Basically Realize Afforestation of Guiyang Within 10 Years by Mobilizing the Whole Party and Inviting the Participation of the Whole People at the conference.

In his speech, Liu Zhengwei said that since the founding of the PRC, especially since the Third Plenary Session of the 11th CPC Central Committee, Guizhou has made headway in her forestry development. Nevertheless, Guizhou's forestry still faces a rigorous situation. Guizhou has witnessed a continual decrease of forest resources, especially a rapid decrease of mature forests, which has in turn worsened the agricultural ecological environment and accelerated soil erosion. Therefore, it is necessary to acquire an in-depth understanding of this grave situation, conscientiously implement the afforestation plan, and accomplish all the tasks set forth in the afforestation plan in a planned way and step by step while guaranteeing both quality and quantity of afforestation.

Liu Zhengwei stressed in his speech that in order to successfully accomplish afforestation tasks, apart from making earnest efforts to implement the afforestation plan in a down-to-earth manner, various levels must concentrate efforts on grasping well the following three aspects of work:

1. To implement a system under which party and government leading cadres at all levels are responsible for the attainment of certain afforestation-related objectives during their tenure of office. [passage omitted]
2. To sign afforestation responsibility certificates at all levels.
3. Leaders at all levels must build model afforestation counties at each and every level with a view to summing up and using the experiences of selected units to promote the work in the entire area and extensively carrying out mass afforestation activities.



The conference was attended by various prefectural, autonomous prefectural, and city party committee secretaries, commissioners, mayors, and county magistrates as well as responsible persons of the forestry departments.

Provincial party and government leaders, including Wang Chaowen, Su Gang, Zhang Yuhuan, Miao Chunting, Liang Wanggui, (Li Pinggui), Luo Shangcai, (Wu Shu), Qiao Xueheng, (Jin Feng), (He Renzhong), and others, attended the conference.

#### PRC Court Reportedly Orders Official's Execution

OW3008012090 Moscow International Service  
in Mandarin 1400 GMT 28 Aug 90

[Text] In China, another official has been punished severely for taking bribes. Wuhan city's local external affairs bureau director was executed. He was sentenced to death by the Supreme People's Court for accepting bribes totalling 228,000 yuan or \$48,000. Another senior official on the lam was arrested in Sichuan Province. His activities as vice chairman of the Sichuan Provincial Science and Industry Commission and general manager of an import and export company had caused losses totaling HK\$6 million to the province's treasury.

#### Lhasa Festival Said Disrupted by Protests

HK0109032990 Hong Kong HONGKONG STANDARD  
in English 1 Sep 90 p 6

[Text] Nine Tibetan nuns and a monk were arrested by Chinese police after a pro-independence demonstration which disrupted a state-run festival in Lhasa, the Tibet Information Network said yesterday.

The report said the demonstration took place in the Norbulingka, a park three kilometres west of the capital, in Tuesday last week.

It follows unconfirmed report on a protest on the outskirts of Lhasa on August 3 and two demonstrations in the city on June 8.

The London-based network, an independent monitoring organisation concerned with Tibetan issues, said yesterday the nine nuns from Garu nunnery and the monk from the monastery at Sera were arrested after the demonstration.

It quoted a Nepalese businessman, who arrived at Kathmandu from Tibet last weekend, as saying that he saw pro-independence demonstrators disrupt the first day of the week-long Yoghurt Festival in the Norbulingka.

"The demonstration took place when thousands of Tibetans gathered in the grounds of the Norbulingka, the former Summer Palace of the Dalai Lama, to listen to traditional Tibetan operas," the witness said.

"The demonstrators were shouting slogans in support of the Dalai Lama and independence for Tibet. They were pressing for the departure of Chinese from Tibet," he said.

The Nepalese businessman said he saw 20 Chinese policemen beating and kicking a Tibetan nun during the demonstration.

The network said the number of participants in the demonstration was not yet known.

The witness described the demonstration as chaotic, saying that some people rushed to join the demonstrators while some had attempted to escape fearing violent suppression by the Chinese police.

The official XINHUA News Agency reported last Tuesday that the Ministry of Culture had congratulated the Tibetans for their celebration of the festival.

XINHUA described the festival as "of great significance...in promoting cultural exchanges between Tibet and other parts of China".

Chinese authorities in charge of Tibetan affairs were not available for comment last night on the reported demonstration.

Informed sources said pro-independence Tibetans had not stopped attempts to launch anti-Chinese protests even during the imposition of martial law last year.

They said Tibetans would make use of special anniversary days or particular religious festivals to launch protests despite the heavy deployment of security forces in Lhasa.

Jiang Zemin, Chinese Communist Party General-Secretary, reiterated during his tour to Tibet in July that the authorities must be alert to "separatist activities" in the region.

Source said Mr Jiang had met military officials in Tibet during his visit to discuss the security of the region.

Hu Jintao, the region's party secretary, said in April that the separatists had attempted to instigate anti-Chinese riots late last year and early this year but they had all failed.

The network also quoted witnesses as saying that hundreds of police had mingled with ordinary people at a major religious ceremony held at Drepung Monastery near Lhasa the day before the Norbulingka demonstration.

It said only 21 of the monastery's 400 monks had taken part in the ceremony.

It reported that 60 monks from Drepung last May threatened to boycott the ceremony after the authorities expelled 37 of their colleagues from the monastery due to their political beliefs.

Quoting sources in Kathmandu, the network said the number of Tibetans fleeing the region across the Himalayas to Nepal had risen sharply.

The sources were quoted as saying that the Chinese authorities appeared to have stopped issuing permits for ordinary Tibetans to travel in and out of Nepal.

Western travellers contacted by the network said the current atmosphere in Lhasa was very tense despite the lifting of martial law four months ago.

The Western travellers said there was a strong police presence in the city with armed sentries watching from rooftops.

### **Hu Jintao Attends Clean Government Meeting**

*OW3108195790 Lhasa Tibet Television Network  
in Mandarin 1200 GMT 30 Aug 90*

[Excerpts] [Video begins with a long shot of the platform of an auditorium, with several hundred people seated in the background. Next are medium shots of Hu Jintao, secretary of regional party committee, and several other regional leaders seated on the platform] The regional people's government held a meeting in Lhasa on the afternoon of 30 August to mobilize regional and city departments, establishments, and enterprises to implement the guidelines of the State Council telephone conference on building clean government and rectifying unhealthy practices in various trades and industries. The meeting also discussed ways to promote building a clean government in Tibet and to rectify unhealthy practices in various trades and industries in the region.

Gyaincain Norbu, chairman of the regional people's government, made an important speech at the meeting. He asked governments at all levels and all trades and industries in the region to take immediate action and make concentrated efforts to rectify unhealthy practices in various trades and industries. [Video shows Gyaincain Norbu, seated to the left of Hu Jintao, reading from prepared script]

He said: Failure to strictly observe political discipline and law, abuse of power for personal gain, dereliction of duty, embezzlement, taking bribes, squandering public money in a wasteful way, and other negative and corrupt phenomena now exist in our region's government departments and trades and industries. This is due to the corrosive influence of bourgeois liberalization and the weakening of ideological-political work in the last few years. These unhealthy practices have a very bad influence and have aroused strong indignation among the people although the practices are limited only to a few departments and individuals. Their unhealthy practices not only discredited the departments and trades and industries and damaged the image of the government in the people's minds, but also affected the ties between the party and government and the people. In addition, it undermined the smooth progress of reform. We must take strong, serious, and resolute action to rectify

unhealthy practices, taking into consideration our specific conditions. This must be done in accordance with the guidelines of the State Council telephone conference and the demands of the fourth Tibetan regional party congress on strengthening the building of clean government. [passage omitted]

The regional people's government decided to conduct the task of strengthening the building of clean government and rectifying unhealthy practices in three stages. During the first stage, from now to the end of September, people will be mobilized and arrangements will be made. During the second stage, covering the month of October and November, self-inspection and self-rectification will be carried out and major problems will be tackled. During the third stage, covering the month of December, rules and regulations will be established and the work of building clean government and rectifying unhealthy practices will be institutionalized. [passage omitted]

Mao Rubai, vice chairman of the regional people's government, presided over the meeting.

Responsible comrades of the regional party committee, the regional People's Congress Standing Committee, the regional people's government, the regional committee of the Chinese People's Political Consultative Conference, the regional court, and the regional procuratorate, including Hu Jintao, Pagbalha Geleg Namgyai, Basang, Na Lisheng, Zi Cheng, (Cheng Aicheng), Wang Guangxi, Gyamco, Gyinmg Puncog Cedain, Gong Daxi, and Yang Youcai, attended the meeting. [Video gives closeup shots of each named leaders present at the meeting]

### **Addresses Public Security Meeting**

*OW3108130790 Lhasa Tibet Television Network  
in Mandarin 1200 GMT 30 Aug 90*

[Text] [Video begins with a long shot of a meeting hall, with a dozen people seated on the platform, facing several dozen public security cadres in uniform] A three-day meeting of the directors of the region's prefectural and city public security bureaus ended in Lhasa on the afternoon of 29 August. The meeting relayed and studied the guidelines of the national conference of public security directors, reviewed the work of the first half of this year, and arranged the tasks for the second half.

On behalf of the regional party committee and people's government, Vice Chairman Gyamco made an important speech at the closing session. [Video shows Gyamco speaking, reading from prepared script]

After reviewing the achievement in stabilizing the situation, Gyamco pointed out: A stable political and social environment is the most fundamental requirement for economic development, which, in turn, serves as the material condition for social and political stability. Party committees and governments at all levels must implement the policy of promoting both political and social stability and economic development. Without a stable

political and social environment, nothing can be accomplished. Without a stable political and social environment, our border cannot be solidified, unification of the motherland and unity of the nationalities cannot be maintained, and the people's safety cannot be guaranteed. When there is serious threat to society, people cannot concentrate on economic development. Turmoil will bring calamity to the country and the people, whereas stability benefits them.

Comrade Gyangco said: We must follow the important instruction issued by General Secretary Jiang Zemin during his inspection tour of Tibet and the guidelines of the regional party congress and make our overriding political task the stabilization of the situation. We must act in accordance with the basic principles on stabilizing the situation set forward at the fourth regional party congress, and adopt concrete policies and measures in light of the local conditions to ensure that every unit and individual will promote long-term peace and stability in Tibet.

Vice Chairman Gyangco asked all public security and procuratorial departments and the court in Tibet to act in accordance with the principle of doing everything for stability and arrange their work around the central link of stabilizing the situation. He said: All public security and procuratorial departments and the courts must coordinate closely to mobilize all public security, armed police, and grass-roots security forces to work for the unified goal of ensuring long-term peace and stability. Vigorous efforts must be made to deepen the struggle of cracking down on serious crimes and eliminating the six vices and to strengthen control in every field.

Regional party and government leaders, including Hu Jintao, Gyanincain Norbu, and Zi Cheng, attended the closing session. [Video gives closeup shots of Hu Jintao, Gyanincain Norbu, and Zicheng, seated to the right of Gyangco, followed by closeup shots of Hu Jintao addressing the cadres]

Hu Jintao put forward a four-point call on all public security cadres and policemen in the region: 1) Work in full cooperation and with unity of purpose to safeguard and solidify the hard-won stable situation; 2) guard against slackening vigilance and maintain a high state of alertness; 3) take serious steps to strengthen the building of public security and armed police forces; and 4) strengthen leadership by party committees and governments at all levels over the public security, procuratorial, and court work.

More than 80 people attended the meeting, including (Zhou Qishun), secretary of the leading party group of the Public Security Bureau; (Baima Duoji), public security director; (Li Jiarui), chief of Tibet's Armed Police Force; public security directors at the prefectural and city levels; and chiefs of armed police detachments in Tibet.

#### Yunnan's Pu Chaozhu at Torch Relay Ceremony

HK2908105990 Kunming Yunnan Provincial Service  
in Mandarin 1000 GMT 28 Aug 90

[Excerpts] Listeners, we are now at the (Dongfeng) Square, Kunming City, giving an on-the-spot report on the 11th Asian Games Torch Relay Ceremony held by Yunnan Province and Kunming City. [passage omitted]

Now listeners, Comrade Pu Chaozhu, secretary of the provincial party committee; Comrade Li Xingwang, chairman of the provincial advisory committee; Comrade (Qiu Chuangjiao), secretary of the provincial discipline inspection commission; Comrade Liu Shusheng, chairman of the provincial CPPCC [Chinese People's Political Consultative Conference] committee, and some other provincial and city leaders have arrived at the reviewing rostrum. The attention-seeking 11th Asian Games Torch Relay Ceremony will soon begin.

Now we see Mayor (Wang Pingche) of Kunming City walking toward the reviewing rostrum to preside over today's torch relay ceremony. [passage omitted]

Now Comrade (Zhu Ning), representative of Sichuan Province and deputy director of the Sichuan Provincial Physical Culture and Sports Commission, is walking toward the reviewing rostrum. He is handing over the sacred torch of the Asian Games to Comrade Pu Chaozhu, who is accepting the torch with a smile and holding it high above his head to salute all the audience at the ceremony. [passage omitted]

Now a male athlete wearing a white sweater and white shorts is running toward the rostrum. Many people have recognized that he is the famous Zhang Guangwei of Bai nationality, who is known as "Prince of the Long-Distance Race" in Yunnan. He took the torch from Pu Chaozhu and is running down the rostrum. [passage omitted]

#### North Region

##### Bu He Article on Army-People Ties

SK0109080190 Hohhot NEIMENGGU RIBAO  
in Chinese 29 Jul 90 p 1

[Article by Bu He, chairman of Inner Mongolia Regional People's Government, entitled "Build Closer Relations Between Army and Government and Between Army and People and Maintain Social Stability by Proceeding From Reality of Border Areas Inhabited by Minority Nationalities"]

[Text] Over recent years, party and government leaders and pertinent departments at various levels in the region have paid special attention to the work of showing concern for national defense and giving support to the Army and have considered this work a major task to exploit political superiority, to maintain social stability and unity, and to promote the constant development of construction of the Army and the localities. In particular,



after passing the trials of checking the turmoil and quelling the counterrevolutionary rebellion last year, the Army's fish-and-water relations with the government and the people have again entered a new stage. Under the current situation in which stability is considered an overriding task, we are all the more required to cherish such close relations, to create an even better atmosphere of supporting the Army and giving preferential treatment to family members of revolutionary martyrs and servicemen, and to constantly carry forward this fine tradition of the people of all nationalities in the region.

We must fully understand the importance of strengthening Army-government and Army-people unity in the border areas. Building closer Army relations with the government and the people is needed in stabilizing the border areas and maintaining the overall stability and unity. Because our country's four modernizations have been conducted amid a complicated and turbulent international environment, the domestic class struggle not only exists at a certain scope, but sometimes will even develop to a sharp extent. Close unity between the Army and government and between the Army and the people on the border will greatly consolidate and develop our country's excellent situation of stability and unity. What has happened in the past shows that Army-government and Army-people unity is extremely significant in upholding the four cardinal principles, in opposing bourgeois liberalization, and in practically carrying out the line, principles, and policies of the party. During the struggle of checking the turmoil and quelling the rebellion in late spring and early summer last year, the party, the government, the Army, and the people in the region firmly maintained unanimity with the party Central Committee, opposed turmoil in a clear-cut stand, and adhered to normal order in work, production, and study, thus maintaining the high degree of stability in the frontier.

Building closer ties between the Army and government and between the Army and people is also needed in consolidating the border defense. Building and defending the borderland is the common undertaking of the Army and people. So long as we constantly strengthen the Army-government and the Army-people unity, we will surely achieve success in this undertaking. For instance, through the all-people education on patriotism and the national defense concept, the Army and the people have become more conscious in observing the policies concerning the frontier and in maintaining tranquility on the border. Through the joint efforts of the Army and the civilians in building, managing, and guarding the frontier, the Army and civilians have been more capable of commonly managing the border and coping with possible emergencies. And through the close coordination and mutual support of the Army and the people, the border management work has been carried out further. Just for these reasons, over the past few years, the instance of sneaking in or out of the frontier and the cases relating to foreign affairs and foreign

nationalities have decreased remarkably, and the social order in border areas has been relatively stable all the time.

Building closer relations between the Army and government and between the Army and people is also needed in conducting in-depth reform and opening-up in the frontier. Along with the normalization of our relations with neighboring countries, the region's foreign trade and friendly contacts with neighboring countries have been expanded day after day, and more and more border towns gradually have been opened to the outside world. This new change has set still higher demand on the building of material and spiritual civilizations in border areas. Over the past several years, the PLA [People's Liberation Army] units stationed in Manzhouli, Erenhot, and other border areas have accelerated the urban, cultural, and economic construction of the border areas as a result of launching the Army-civilian joint activity of building civilization "showcase." What has happened shows that with the concerted efforts in building spiritual civilization, the Army and people will make still greater contributions to the reform and opening-up of the frontier.

We must regard the strengthening of national unity as an important content of building closer ties between the Army and government and between the Army and people.

Because our region is a multinational region where Mongolian and other minority nationalities live in compact communities, Army-government and Army-civilian unity is manifested to a large extent as national unity and relations. Therefore, we must regard the strengthening of national unity as the focal point of the building of closer ties between the Army and government and between the Army and people. In view of the practice over the past few years, we should pay attention to the work in the following three aspects:

First, we should profoundly conduct the education on the party's policies toward nationalities and national unity. We should organize the Army and people to repeatedly study the party's policies toward nationalities, and should enable them to firmly embrace the idea that Han and all other nationalities are indispensable to one another and the Army and people of all nationalities are indispensable to one another. We should guide the Army and people to fully understand the splendid history and achievements scored by the people of all nationalities in developing and building Inner Mongolia through concerted efforts, and should encourage them to set an example in strengthening national unity and Army-government and Army-people unity.

Then, we should vigorously conduct education on patriotism. Patriotism is a promotive and cohesive force to make the Chinese nation strong, as well as the foundation of Army-government and Army-people unity. We should foster national pride and national confidence through disseminating among the Army and people of all

nationalities the age-old history of our motherland's civilization, the history of the PRC's development over the past 40 years since its founding, and in particular, the tremendous achievements scored in reform and opening-up since the third plenary session of the 11th party Central Committee. Through spreading and commending heroic and model figures of all nationalities emerging during the new period, we should guide the Army and people to carry forward the glorious tradition of loving the country and supporting the Army, to fully understand the special position of the border areas, to consciously unite their deeds and actions closely with the dignity of the country and with the interests of the nationalities, and to commonly make contributions to safeguarding the unity and unification of the motherland and promoting the prosperity and development of the border areas.

Third, the Army and people should be closely related to each other through such practical actions of doing good turns and concrete deeds for each other. Restricted by geographical, meteorological, and communications conditions, the Army and the people in border areas are required to help and support each other in production, livelihood, and patrols. Innumerable facts show that this has played a very good role in strengthening the national unity and building closer Army-government and Army-people relations.

We must develop the fish-and-water relations between the Army and the people through the Army-civilian joint efforts in defending and building the frontier. Strengthening border defense is the common task of the Army and the people in the frontier. The Army-civilian joint activity in building, managing, and defending the frontier is not only important for the PLA units to fulfill the glorious task of garrisoning the frontier for the country, to maintain the tranquility and stability of the frontier, and to truly build the border defense into a "showcase" which shows the might of the country and the Army. It is also an important link for maintaining close ties between the Army and the people. As proven by experience, in the practice of reinforcing the border defense, we should pay attention to the following two links: First, the Army and the people should join hands to commonly develop the economic and cultural undertakings for minority nationalities in border areas, because economic and cultural prosperity and development are not only a material foundation for reinforcing the border defense but also an essential condition for developing Army-government and Army-people relations. In their past work, the PLA units stationed in the frontier utilized varied forms to support the construction of key projects of the border areas, to spread scientific and technological knowledge, and to promote the development of livestock production. In the meantime, these units went all out to help the localities where they were stationed in dealing with emergencies and providing disaster relief, and in protecting animals, grassland, and forest resources. In addition, these units helped the local herdsmen in initiating "sentry post primary schools," "prairie night schools,"

and "horse-back mobile literacy classes" with the purpose of developing the educational undertakings for minority nationalities and improving the educational level of the masses of herdsmen. All levels of governments and the masses in localities also voluntarily helped the PLA units stationed there in solving practical problems, in developing production and management, and in removing difficulties and worries for family members of revolutionary martyrs and servicemen. Leaders of the localities personally handled the disputes between the Army and civilians. All of these actions have effectively maintained the close ties between the Army and the government and between the Army and the people.

Second, the Army and the people should conscientiously carry out side by side the Army-civilian joint defense and exercise control over the frontier. Along with the progress of reform and opening-up, more and more people have come to the border areas. We should continuously improve and perfect the Army-police-civilian joint defense system; establish and strengthen the joint-defense and joint-construction organizations; and fully mobilize the initiative of the troops, the local units, and the masses of herdsmen. We should also give play to the three-in-one role of the Army, the police, and the civilians, and should strive to truly shape a good situation characterized with the phrase "If the Army and the people are united as one, who in the world can match them?"

We must strengthen organizational leadership, and constantly strengthen and develop the excellent situation in which the Army, the government, and the people are united as one. First, party and government leaders at all levels should take the lead in showing concern for and giving support to the work of the troops. Over the past few years, party committees and governments at all levels in our localities have been relatively concerned with the work of military districts and the troops. Whenever there have been major military meetings and military activities, government leaders at various levels have found time to participate and have delivered speeches as a sign of showing concern for and giving support to the Army. Particularly during the struggle of checking the turmoil and quelling the rebellion in late spring and early summer last year, the Army and the people of all nationalities resolutely maintained unanimity with the party Central Committee and played an important role in promoting the stability of the frontier and the Army. In the region, there have been many leading cadres who have been concerned with the construction of the troops, like Zhang Zhi, secretary of the Manzhouli City party committee; some of these leading cadres have been commended by the National Defense Ministry or by the regional military district. Second, we should mobilize the masses throughout society to ardently love the Army and show concern for national defense. Over recent years, various departments concerned have, in accordance with the stipulations of the PRC Constitution and the military service law, done lots of work to safeguard the livelihood of disabled servicemen, to give special

care to family members of revolutionary martyrs and servicemen, and to arrange appropriate jobs for retired servicemen, thus playing the role of reinforcing our great wall and stabilizing the minds of our Army. Baotou and some other localities have positively explored the new way, that is, the Army and the localities join hands to do the work of supporting the Army and giving preferential treatment to family members of servicemen, and have made this work develop in a systematic, responsible, regularized, and socialized manner. Various localities also have been much concerned with the education on scientific and general knowledge of officers and men and conducted the activity of supporting the Army with intelligence. A large number of local units and troops have established the relations of long-term and stable cooperation in construction and education. Some local units have adopted the methods of "providing policies, technologies, and projects" to help the troops stationed locally develop production and management, and have been concerned with the troops' problem in eating vegetables. As a result, there have been a number of patriotic models, like Professor Lin Weishen, and advanced collectives in loving the country and supporting the Army. Third, we should conscientiously implement the pertinent laws and policies of the party and the country in line with the principle that the Army and the people are united as one. The contacts between the Army and the localities touch upon the political, economic, cultural, and living spheres. So long as we successfully grasp and implement the policies and stipulations in these spheres, we will be able to produce a positive impact on the work of supporting the Army and giving preferential treatment to family members of revolutionary martyrs and servicemen. Therefore, we should attend to the work of studying and using laws. When there are disagreements between the localities and the Army concerning the interests in land, grassland, water sources, and roads, leaders and the masses of the localities should give more consideration to the overall situation, and appropriately solve problems according to laws to effectively maintain the close ties between the Army and government and between the Army and people.

### Northeast Region

#### Jilin People's Congress Meeting Ends

SK0109053790 Changchun Jilin Provincial Service  
in Mandarin 0930 GMT 30 Aug 90

[Excerpts] The six-day 17th meeting of the sixth provincial People's Congress Standing Committee ended in Changchun this afternoon. The meeting decided to appoint the 52 year-old Zhang Yueqi, former deputy director of the General Office of the CPC Central Committee, vice provincial governor.

The meeting adopted the Jilin provincial regulations on managing the accumulation funds for the agricultural collective economy, the Jilin provincial provisional regulations for handling land traffic accidents, and the resolution of the Jilin Provincial People's Congress

Standing Committee on implementing the PRC's administrative procedural law. The meeting also adopted a report of the Credentials Committee of the seventh provincial People's Congress Standing Committee on the examination of qualifications of deputies chosen through supplementary elections to the seventh provincial People's Congress. [passage omitted]

Attending the meeting were 43 persons, including Huo Mingguang, chairman of the provincial People's Congress Standing Committee, Cheng Shengsan, [words indistinct] and committee members. Vice Governor Wang Yunkun, Xie Anshan, president of the provincial Higher People's Court, and Li Xiangwu, chief procurator of the provincial Higher People's Procuratorate, attended the meeting as observers.

#### Sun Weiben Meets Shandong Fact-Finding Team

SK0109043090 Harbin HEILONGJIANG RIBAO  
in Chinese 3 Aug 90 p 1

[Excerpt] On 28 July, Heilongjiang and Shandong Provinces reached an agreement in Harbin on matters relating to the establishment of long-term economic cooperative relations.

Ma Zhongchen, deputy secretary of the Shandong Provincial party committee, led a fact-finding team to conduct an extensive survey in Heilongjiang Province from 23 to 28 July. Sun Weiben, Shao Qihui, Zhou Wenhua, Wang Haiyan, Du Xianzhong, and other leading comrades of Heilongjiang Province met with all members of this fact-finding team. Responsible comrades of pertinent departments directly under the Heilongjiang provincial authorities exchanged opinions and held negotiations with members of the Shandong fact-finding team.

The two sides unanimously maintained: Shandong and Heilongjiang provinces are similar in many aspects of economic development and are mutually complementary to a fairly great extent. In the economic development in the future, there will be an objective demand of making up each other's deficiencies and striving for common development. Both provinces need the other side's support in economic development. Therefore, there is an extremely bright prospect for the economic and technological cooperation between the two provinces. The establishment of the high-level ties between the two provinces is of great strategic significance in promoting the sustained and steady development of the economy of the two provinces.

The two sides unanimously agreed: In line with the principle of making up for the other side's deficiencies with one's advantages and the principles of cordial cooperation, mutual benefit, and common development, the two provinces should establish a long-term and stable provincial-level relationship of economic and technological cooperation, and should further develop the friendly contacts and lateral economic and technological associations between various localities, departments, and



trades of the two provinces. The "Agreement of Heilongjiang and Shandong Provinces on the Establishment of the Long-Term Economic Cooperative Relations," which was signed by the two sides, states:

By taking full advantage of the favorable conditions of the Shandong peninsula economic development zone and Heilongjiang's port for trade with the Soviet Union and the Eastern European countries, the two provinces should join hands to seek more domestic and world markets. In the process of implementation, the two provinces should provide information for and exchange experiences with each other, should run the import and export agency business well, and should increase the foreign export trade. For the imported technologies and projects, the two provinces should commonly organize joint research to solve problems and should make concerted efforts to master, apply, and further develop them.

Shandong Province has a relatively good foundation in the light and textile industry, the machine processing industry, the petrochemical industry, the salt chemical industry, and agricultural sideline products; while Heilongjiang Province is considerably superior in the coal industry, the machine manufacturing industry, power generation equipment, the forest industry, the medical industry, petroleum chemicals, and special agricultural sideline products. By following the purpose of using one side's superiority to make up for the other side's deficiencies and promoting the local economic development, based on the principle of equality and mutual benefit, the two provinces should organize economic and technological cooperation in various spheres and in various forms, should promote the readjustment of their respective economic structures, and should strive to strengthen the momentum for further economic development.

The two provinces should draw up preferential policies and agreements to protect economic and technological cooperation, should encourage and protect the economic cooperation and transfer of scientific and technological achievements between the two provinces, should exchange scientific and technological information, should undertake scientific and technological items on a contract basis, and should conduct scientific and technological cooperation and talent exchange. The two provinces should make full use of their respective intellectual advantages to conduct comprehensive cooperation in the scientific and technological sphere and commonly develop new products, technologies, and skills. [passage omitted]

#### **Good Wheat Harvest in Heilongjiang 'Wasteland'**

OW2708171290 Beijing XINHUA in English  
1440 GMT 27 Aug 90

[Text] Beijing, August 27 (XINHUA)—"PEOPLE'S DAILY" reported today that "Beidahuang (northern

wasteland)" in northeast China's Heilongjiang Province this year has had a wheat output 24 percent higher than last year's.

Two million hectares of wasteland have been reclaimed and developed into farmland in the area, the paper noted.

An official of Heilongjiang Province's farm administration attributed the good harvest to widespread adoption of new farming techniques.

In the past two years, the paper quoted the official as saying, a number of new farming techniques, including the use of fertilizer according to actual needs, chemical weeding, and the adoption of improved varieties of seed, have come into wide use on Beidahuang's 102 state farms.

#### **People's Congress Work Meeting in Dalian**

SK0309064090 Shenyang Liaoning Provincial  
Service in Mandarin 2200 GMT 2 Sep 90

[Text] The 17 cities of Liaoning Province sponsored a symposium on the People's Congress work in the city of Dalian from 31 August to 2 September. Attending the symposium were chairmen, vice chairmen, and secretaries general of the standing committees of various city people's congresses.

Wang Guangzhong, chairman of the provincial People's Congress Standing Committee, and Zuo Kun, vice chairman of the provincial People's Congress Standing Committee, attended and addressed the symposium.

During the symposium, the participants, in line with the major subject of upholding and improving the People's Congress system under the party's leadership, summarized and exchanged the province's experience gained over the past 10 years since the founding of local people's congresses. They also studied and discussed further improving the function of People's Congress and its Standing Committee, bringing into full play the role of deputies in participating in and discussing governmental and political affairs, and building the local organs of state power.

#### **Quan Shuren Attends Soiree on Asian Games**

SK0309063890 Shenyang Liaoning Provincial  
Service in Mandarin 2200 GMT 2 Sep 90

[Summary] Shenyang City was full of jubilation on the evening of 2 September; a literary and art soiree was held at the city's Zhongxin stadium to ceremoniously open the Asian Games. On the stage with the large emblem of the Asian Games and brightly-colored decorations, the province's noted performers presented the program of lighting the torch of the Asian Games.

The Shenyang City acrobatic troupe performed under a large balloon. The noted performers, including (Fang

Song), (Qi Jihe), (Su Fatang), (Tang Guixian), (Hou Yuwen), and (Shi Tiecheng), were in charge of the soiree.

Viewing the performances were leading comrades from the provincial level organs and the Shenyang Military Region, including Quan Shuren, Wang Guangzhong, Yue Qifeng, Liu Jingsong, and Song Keda; as well as leading personnel from the provinces of Heilongjiang and Jilin, including Sun Weiben.

#### **Liaoning Conference on Party Building of Colleges**

*SK2908054390 Shenyang Liaoning Provincial  
Service in Mandarin 0930 GMT 28 Aug 90*

[Text] At today's provincial conference on party building of the schools of higher learning, Wang Chonglu, Standing Committee member and propaganda department director of the provincial party committee, said:

From now on, colleges and universities under the province should institute the system under which presidents of the colleges and universities assume full responsibility under the leadership of their party committees. This is a positive principle for successfully managing socialist universities. However, it does not mean to go back to the old system of the centralized leadership of the party committee. We should continue to separate party and administrative work. Party committees should support administrative leaders to fully exercise their power and should guard against taking over administrative work. We should comprehensively strengthen party building of the schools of higher learning to make sure that the party exercises absolute leadership over the schools of higher learning, that the socialist orientation of running schools is adhered to, and that schools of higher learning truly become strong bastions to comprehensively implement the party's basic line and educational principles, and train constructors of and successors to the socialist cause.

### Spokesman Denies Reports of Arms Sales to Iraq

OW0309195590 Taipei CNA in English 1604 GMT  
3 Aug 90

[Text] Taipei, Sept. 3 (CNA)—The Republic of China [ROC] has never sold arms to Iraq, nor has it provided material to produce chemical weapons to the Middle Eastern country, a government spokesman reiterated Monday.

Shaw Yu-ming, director general of the government information office, made the statement in response to a TIME magazine report which he dismissed as "completely groundless."

The latest issue of TIME, published Sept. 3, said in a report titled "The [words indistinct] Holds-For Now" that "according to White House Spokesman Marlin Fitzwater, Iraq was getting around the [words indistinct] to obtain military materiel as well as supplies used in the production of chemical weapons.

"Other administration officials said other countries responsible include Libya, Yemen, Taiwan and South Africa," it added. [passage indistinct]

"It is completely groundless for TIME to [word indistinct] Republic of China on Taiwan as one of the countries responsible for helping Iraq get around prohibitions on obtaining military materials and supplies used in the production of chemical weapons," Shaw said.

The government spokesman reiterated that the Republic of China Government, which is committed to promoting world peace and justice, has never and will never [words indistinct] arms or materials to produce chemical weapons to Iraq, "the country which blatantly used force to invade Kuwait in violation of international law."

The Coordination Council for North American Affairs, (CCNAA) which has represented the Republic of China's interest in the United States since Taipei and Washington suspended ties in 1979, has sent a letter to the magazine to correct the unfounded report, Shaw said. The letter sent by [name indistinct], director of the Information and Communication Division of the CCNAA office in the USA, was addressed to TIME magazine's "Letters to the Editor" department.

### Government Denies Selling Goods to Iraq

OW0109151790 Taipei CNA in English 1423 GMT  
1 Sep 90

[Text] Taipei, Sept. 1 (CNA)—Spokesman Huang Hsin-pi of the Ministry of Foreign Affairs Saturday denied a report that the Republic of China [ROC] is one of the countries providing Iraq with military supplies.

Huang was commenting on a report in the Sept. 3 issue of TIME magazine, which quoted unnamed U.S. officials as saying that Iraq has managed to acquire military equipment and poison gas materials from Libya, Yemen,

South Africa, and the Republic of China even though the United Nations has imposed an embargo.

"The report is totally unfounded," Huang said categorically.

He said that there has been no commercial exchange between the Republic of China and Iraq, and that shortly after Iraq occupied Kuwait in early August, the Republic of China announced its decision to support all U.N. resolutions against Iraq. He stressed that the Republic of China is not supplying any material to Iraq.

The Foreign Ministry has ordered ROC's representative office in the United States to ask the American news magazine to clarify the report, Huang added.

### President Li Calls for New Mainland Policy

OW3108183890 Taipei CNA in English 1448 GMT  
31 Aug 90

[Text] Taipei, Aug. 32 (CNA)—President Li Teng-hui Friday called on the people to forge a consensus on "new mainland policy goals" as well as a strategy to achieve them.

Meeting a group of 52 presidential policy and strategic advisors, Li said the Chinese communist regime had been trying hard to alleviate pressure from the international community and the Republic of China [ROC] following the June 4, 1989 incident.

"It is time that we take this opportunity to unify ourselves" and to set new policy goals toward the mainland in order to create conditions favorable to China's unification, the president said.

He reiterated that unifying the country in a peaceful and democratic way is the common wish of all Chinese and an unshrinkable responsibility of the ROC's chief of state.

He added that he wished the proposed "national unification council" would make efforts to build a national consensus, reform the Constitution, perfect the national revival bastion's development, and achieve national unification.

He told his advisors that what he had been proposing until now were just "preliminary ideas," which, after being enriched by other ideas and opinions, would be gradually improved and made concrete before being used as a basis for the new mainland policy.

Nineteen of the participants, including Tao Pai-chuan, Chang Tao-min and Yang Chi-tseng, spoke on the composition and staff operations of the proposed council.



### Mainland Repatriations Await Red Cross Response

OW3108112790 Taipei International Service  
in English 0200 GMT 30 Aug 90

[Text] The ROC [Republic of China] Government has decided to halt the repatriation of illegal Mainland Chinese immigrants until it receives the formal reply from mainland's Red Cross Society as to whether the latter will help with the repatriation work. A spokesman for the ROC Red Cross Society said that his mainland counterpart has consulted with the authorities concerned for permission to supervise and participate in the repatriation operation which will be handed over to the society from the Defense Ministry after the two boats' accidents in which 46 mainlanders died. Deputy Secretary General of the society Chang Chung-mao said that he is waiting for final reports on the two tragedies by local marine and the judicial authorities in order to negotiate with victims' families over compensation and other issues. Chang said his organization proposed to hand the illegal mainland entrants over in the middle of the Taiwan Strait. The details concerning how this could be done requires further negotiations between the two sides.

### President Calls for Vigilance Against 'Enemy'

OW0209171590 Taipei CNA in English 1558 GMT  
2 Sep 90

[Text] Taipei, Sept. 2 (CNA)—President Li Teng-hui of the Republic of China Sunday cited the recent Iraqi invasion of Kuwait as an example to ask servicemen not to relax their vigilance against the enemy on the other side of the Taiwan Straits.

The president gave his advice in a written message issued on the eve of the 1990 Armed Forces Day.

Kuwait was rich but could not defend itself against the invasion of Iraq, Li said. "The incident tells us that we must give national security top priority in implementing government policies."

Li urged all servicemen to boost combat readiness and to put themselves on full alert in order to ensure the nation's security.

### Market To Open to U.S. Turkey Meat, Whole Ducks

OW3108183690 Taipei CNA in English 1522 GMT  
31 Aug 90

[Text] Taipei, Aug. 31 (CNA)—The Republic of China [ROC] will open its market to American turkey meat and duck from Saturday as part of its policy of liberalizing trade, the Board of Foreign Trade (BOFT) announced Friday.

BOFT said the imports from the United States would not need prior approval from ROC's Council of Agriculture (COA), but approval would be needed for such imports from other countries.

In an effort to alleviate the worries of domestic duck raisers over the market-opening measure, COA officials said Friday that duck imports are unlikely to pose a serious threat because "the domestically raised duck is cheaper, tastier, and therefore more attractive to consumers."

"There is really no need to worry and panic over the imports," the officials claimed.

Moreover, the officials assured the public that the government has formulated relief measures to protect the interests of domestic duck raisers in case they are hurt by the imports.

### President Li Discusses Economic Success

OW3108184190 Taipei CNA in English 1425 GMT  
31 Aug 90

[Text] Taipei, Aug. 31 (CNA)—Clear-cut goals, the frequent analysis of the current situation and correct government development strategies are the three top secrets of the Republic of China's economic success, President Li Teng-hui said Friday while receiving a group of foreign guests at the Presidential Office.

The foreign guests, including those from Solomon Islands, Nigeria, Iran, Pakistan, Bulgaria and Vietnam, were here for the on-going 1990 Taipei import fair.

Li told his guests that the Republic of China is a country with limited natural resources so its successful economic development over the past four decades relied mainly on the concerted efforts of its government and people.

Lee stressed that the Republic of China is more than willing to share its economic development experience with other countries in order to help boost world economic prosperity. The on-going Taipei import fair and the complementary Taipei international economic symposium were designed to promote mutual understanding and an exchange of development experience among the participating countries so as to lay a foundation for future economic and technological cooperation.

All the guests praised the two events and agreed that Taiwan has provided a good development model for other developing countries.

### Premier Outlines Cabinet's Construction Program

OW0209153690 Taipei CNA in English 1401 GMT  
2 Sep 90

[Text] Taipei, Sept. 2 (CNA)—Premier Hao Po-tsun Saturday presented a rosy picture of what life in Taiwan would be like after his cabinet's six-year national construction program is completed in 1996.

"Industrial centers" will be connected by convenient transportation systems to envisioned "comfortable living neighborhoods" with cozy housing units, parking

areas, clean tap water, schools, medical centers, supermarkets, museums, sports and other recreation facilities, Hao said.

Speaking to a gathering celebrating reporters' day, Hao stressed that the six-year program also includes "cultural, educational, medical and other construction."

#### **Executive Yuan Submits Report to Legislative Yuan**

OW3108183490 Taipei CNA in English 1532 GMT  
31 Aug 90

[Text] Taipei, Aug. 31 (CNA)—The domestic wholesale commodity price index fell 3.3 percent during the first half of this year from the same period of last year, the Executive Yuan announced Friday.

In its six-month work report to the Legislative Yuan, the cabinet said the fall had been caused by lowered import tariffs and commodity taxes—which had reduced import costs—and the sluggish market for international crude oil, petrochemical materials, and basic metals.

During the same period, the consumer price index rose 3.46 percent and the agricultural production index was down 2.0 percent from the same period of last year, according to the report.

The report said the industrial production index during the first half-year fell 2.66 percent as compared with the corresponding period of last year.

Manufacturing was down 3.47 percent, with heavy industry down 0.5 percent, light industry down 7.35 percent, and mining down 10.61 percent.

During the six-month period, the report said, water, electricity and fuel services went up 6.31 percent and the housing industry grew 0.27 percent over the previous half-year.

#### **Message to Mainland Via Japan's Kanemaru Denied**

OW3108154390 Taipei CNA in English 1429 GMT  
31 Aug 90

[Text] Taipei, Aug. 31 (CNA)—The Republic of China Government Friday denied reports that President Li Teng-hui had asked former Japanese Deputy Prime Minister Shin Kanemaru to carry a message to the Chinese communist leadership.

"The reports are completely untrue," a spokesman for the Presidential Office said in response to the reports reaching Taipei from Japan.

The reports said Kanemaru would convey a message from President Li to Chinese communist leaders during his current visit in Peking.

"President Li did not ask Mr. Kanemaru to carry any message to the mainland," the spokesman said.

Kanemaru, a close friend of the Republic of China Government, met President Li in mid-May when he led a Japanese delegation to Taipei to take part in Li's May 20 inauguration.

During their meeting on May 19, Kanemaru told President Li that he planned to visit the Chinese mainland in late August, the spokesman said. "The president did not make any comment on this," he added.

Diplomatic sources here said that during his talks with Peking leaders, Kanemaru might have expressed the hope that relations between the two sides of the Taiwan Strait could improve.

They stressed, however, that this would be the Japanese political leader's personal action and have nothing to do with the Republic of China Government, which has ruled out all official contact with the Chinese Communists until Peking demonstrates genuine good will.

#### **Economics Minister Siew Returns From Seoul Visit**

OW0109195090 Taipei CNA in English 1539 GMT  
1 Sep 90

[Text] Chiang Kai-shek International Airport, northern Taiwan, Sept. 1 (CNA)—Economics Minister Vincent Siew said Saturday that the 23rd Republic of China-Republic of Korea economic cooperation conference was [words indistinct].

Siew said [word indistinct] from Seoul, where he attended the conference, that the two countries had reached agreements on economic, trade, and technological cooperation.

He said that the two countries have agreed to make a joint effort to try to reduce their trade deficit with Japan.

Korean President No Tae-u received the ROC delegation to the conference.

#### **SRV Plans Business Zone for Taiwan Investors**

OW0309041190 Taipei CNA in English 0319 GMT  
3 Sep 90

[Text] Taipei, Sept. 3 (CNA)—Vietnam authorities will develop 352 hectares in Ho Chi Minh City (Saigon) into an industrial zone exclusively for Taiwan investors, a Vietnamese official said recently.

Pham Chanh Truc, chairman of the Vietnam Investment and External Trade Council, made the statement at a seminar held Saturday during the second Taipei import fair at the Taipei World Trade Center. Truc is the leader of an exhibition group from Vietnam which is attending the fair for the first time.

He said although the maximum period of land usage is just 20 years according to Vietnamese regulations, the period will be extended to 35 to 50 years especially for Taiwan investors.

Truc also revealed that the China External Trade Development Council and his agency have signed a memorandum about bilateral investment protection guarantees, under which the Vietnamese have promised not to confiscate property held by Taiwan investors there.

The memorandum also calls for formation of an intermediary organization to settle business disputes. It also guarantees free entry into and exit from Vietnam for

local businessmen and promises unrestricted remittances of capital out of the Southeast Asian country.

At the moment, the Ho Chi Minh City government is organizing 12 major investment projects, including overhauling old plants, developing computer and telecommunications industries and producing glass processing equipment, among others. The city government is soliciting investment from foreign enterprises, Truc said.



**Local Firms May Transship PRC Arms to Iraq**

HK0209024890 Hong Kong *SOUTH CHINA SUNDAY MORNING POST* in English 2 Sep 9 pp 1, 2

[By Brian Power and Joyce Nip in Hong Kong, and Michael Chugani in Washington]

[Excerpt] Hong Kong could be used as a trans-shipment centre for Chinese-made munitions needed by Iraq should the conflict in the Middle East flare into war, according to defence analysts.

While China has officially pledged not to sell arms to Iraq, specialists in Hong Kong, Washington and London all say the lucrative profits will tempt Chinese to sell armaments to Baghdad anyway.

But a little-known Hong Kong trading company which the *SUNDAY MORNING POST* found to be controlled by one of China's largest weapons manufacturers has pledged not to sell to Iraq any Chinese-made arms.

Silver City International Development Ltd is controlled by China North Industries Corp, or Norinco, of Beijing, whose product line includes chemical weapons and artillery pieces.

Mr Zhao Jungyin of Silver City said the Hong Kong company was "set up to make some money" for Norinco through investments in Guangdong, which he declined to reveal.

A high-ranking Chinese source said Silver City also had a relationship with Poly Technologies Inc of Beijing, which sold People's Liberation Army equipment. Poly Technologies is staffed by Mr Deng Xiaoping's son-in-law, Mr He Ping, and Mr He Pengfei, the son-in-law of the late Marshal He Long.

Mr Zhao said he was not aware of the relationship.

One source who has dealt with Chinese arms manufacturers said a number of them had been carrying out negotiations and financing in Hong Kong to raise hard currency. They were also working out of Shenzhen, where employees could be kept away from "bourgeois liberalisation", he said.

The naval blockade of Iraq is making it difficult if not impossible for Baghdad to import bulkier armaments. While Iraq is rated as self-sufficient in many of its munitions, it could build up stocks by flying shells or missiles into the country.

One source said the Chinese could put shells in boxes and move them like any other air cargo through Hong Kong, first to a destination such as Tunisia and later through other Arab airports to Iraq.

China has for several years angered Western countries by selling sophisticated weapons, including medium-range missiles, in the Middle East.

In Iraq, the Americans would be facing more than 1,000 Chinese-made Type 69 tanks and Red Arrow 8 antitank weapons, according to an analyst at Jane's Defence Weekly in London. China has also sold to Iraq the F-7 reconnaissance jet, 155 mm howitzers, mines and millions of rounds of small-arms ammunition. [Passage omitted]

**PRC To State Position on New Airport Soon**

HK0109061990 Hong Kong *HONGKONG STANDARD* in English 1 Sep 90 p 3

[By Stanley Leung and Stuart Becker]

[Text] China is to officially state its position on the building of the new airport at Chek Lap Kok in a few months, the director of Hong Kong's XINHUA News Agency, Zhou Nan, said yesterday.

He said China would examine the airport issue after reports of the financial consultancy studies commissioned by the Hong Kong Government are made available.

This was the first time a Beijing representative has indicated a specific time when China would state its position on the controversial airport issue.

Financial Secretary Sir Piers Jacob said yesterday China had shown a more positive attitude to the project recently and urged potential investors to come forward.

Pressure has been building up in the last few months for Beijing to get behind the new airport as its construction hinges on the willingness of foreign investors to invest money in the project, scheduled for completion in 1997.

Mr Zhou, speaking after attending a painting exhibition, said the inadequacy of the information currently available made it impossible for China to take a position on such issues as site selection and financing.

"Once reports of the financial advisers are available, the Chinese side will re-examine the issues. After seeing the studies, we can then make known our attitudes on a series of airport issues."

The financial study reports will not be available for at least three months.

Chief Secretary Sir David Ford said last week that the government would send reports of the financial advisers to the Chinese side.

Sir Piers said "the Chinese hear different views from time to time. Naturally they need to take them into account...But I'm quite confident for the scheme in the future.

"One of the obvious questions they ask when being presented with details is 'well this is very expensive. How does it fit in with your budget?'"

Sir Piers said he was sure the government would be able to satisfy the Chinese side on the financial viability of the project.

He warned potential investors in the scheme not "to wait and see".

He reaffirmed the government's commitment to building the new airport at Chek Lap Kok at a lunch held by the Australian Chamber of Commerce in Hong Kong.

Addressing recent speculation that the government was considering shelving aspects of the \$127 billion port and airport development scheme, the financial secretary, who chairs the Provisional Airport Authority, said it had always been envisaged that the overall airport project would be divided into "core" and "non-core" items.

"The first group, that is the core items, will be implemented as fast as is humanly possible...What we are doing now is examining very critically each component and deciding whether it is core or non-core," he said.

He said no decision had been made on whether the planned rail-link was a "core" project.

On financing he said the project could be split into packages attractive to private sector developers.

"Very soon all of us—the doubters and believers alike—will be able to see for ourselves tangible evidence of our commitment to develop the infrastructure that Hong Kong needs," Sir Piers said.

#### **Governor Comments on Decisions About Airport**

HK0209030090 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 2 Sep 90 p 3

[By Muriel Lau]

[Text] The government will go ahead with the new airport project at Chek Lap Kok even if the Chinese authorities do not back it, the governor, Sir David Wilson, said yesterday.

Sir David was speaking at Kai Tak Airport on his return from a vacation in Scotland and London.

China has so far not stated its support for the new airport, saying it needs time to study a financial report provided by the government.

However, Sir David said the decision that Hong Kong needed a new airport was a result of much research and detailed analysis.

"Chek Lap Kok is the obvious best solution and we are going ahead with the detailed implementation of that scheme," Sir David said.

"It's a decision to be taken in Hong Kong. I would like them (Chinese authorities) to look favourably at it but the decisions are Hong Kong decisions, they don't depend on...formal approval from elsewhere," he said.

"My understanding is the Chinese realise that Hong Kong does need a new airport. I'm sure the Chinese will understand how important that airport is for the future economy of Hong Kong and its role as a base of communication for southern China.

"We would like to explain to the Chinese why it is important...to have a benevolent interest in its success. And I'm sure over time we will get that."

During his stay in London, Sir David talked to officials in the Foreign Office including Lord Caithness, the new minister with special responsibility for Hong Kong.

Lord Caithness will visit the territory from September 15 to 20.

In another development, executive and legislative Councillor Mrs Rosanna Tam Wong Yick-ming said after the 10th anniversary special of City Forum yesterday that she and her colleagues were looking forward to meeting Lord Caithness.

She said the group would convey to him the territory's emigration problems and "reiterate the spirit behind our requests for the British nationality package".

Meanwhile, the nationality working group will meet before the end of the month to look into details of the nationality package.

**END OF**

**FICHE**

**DATE FILMED**

6 Sept. 1990



